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CONTENTS

INTERREGIONAL AFFAIRS

ITAR-TASS Carries Press Review for 10 Jun 1

RUSSIA INTERNATIONAL AFFAIRS

Kozyrev Departs Paris for North Atlantic Meeting 3
Signs OECD Documents *[ITAR-TASS]* 3
Arrives in Istanbul *[ITAR-TASS]* 3
Seeks To Further Ties *[ITAR-TASS]* 3
France's Juppe Supports Partnership With Russia *[ITAR-TASS]* 3
Karasin: Bosnia Peace Efforts Need Acceleration *[ITAR-TASS]* 3
Diplomat Seeks Another Meeting on Bosnia *[INTERFAX]* 4
Bosnian Serb Leader To Receive Literature Award *[INTERFAX]* 4
Moscow Visit Postponed *[Belgrade TANJUG]* 4
Forces To Take Part in Abkhazia Peacekeeping Operations *[ITAR-TASS]* 4
Duma Official Against Ratification of Georgia Treaty *[IBERIA 9 Jun]* 5
Chernomyrdin Concludes Germany Visit *[ITAR-TASS]* 5
Panov Says Proposals on Korea Meet With 'Understanding' *[ITAR-TASS]* 5
EU Accord Would Force End to Bank Protectionism *[ROSSIYSKIYE VESTI 9 Jun]* 5
Moscow To Secure Repayment Deferment From Paris Club *[INTERFAX]* 6
Military Cooperation Talks Continue With Malaysia *[INTERFAX]* 6
Indonesia Tries To Resolve DPRK Nuclear Issue *[Moscow International]* 6
ASEAN Interested in Russian Military Equipment *[INTERFAX]* 7
Radio Liberty Asks Yeltsin To Disclose KGB Agents *[SEGODNYA 9 Jun]* 7
Yeltsin Receives Italian Prime Minister's Envoy *[ITAR-TASS]* 7
Government To Increase Aid to Rwandan Refugees *[ITAR-TASS]* 7
Russian Air Space Violated 109 Times in Past Year *[ITAR-TASS]* 8
Chief Delegate Urges Deeper Dialogue With OAS *[ITAR-TASS]* 8
Visa-Free Travel Agreement Signed With Slovakia *[ROSSIYSKIYE VESTI 9 Jun]* 8
Karasin on Right To Protect Servicemen in Tajikistan *[INTERFAX]* 8
Military Talks With Moldova 'More Constructive' *[KRASNAYA ZVEZDA 9 Jun]* 9
Almaty's Hopes for Signing Baykonur Treaty 'Premature' *[KOMMERSANT-DAILY 10 Jun]* 9
Ukraine To Repay Gas Debt by Building Housing *[IZVESTIYA 9 Jun]* 10

RUSSIA NATIONAL AFFAIRS

Political Issues

Chernomyrdin Back in Moscow, Condemns Rumors *[ITAR-TASS]* 11
Soskovets Calls Rumors 'Gargage' *[ITAR-TASS]* 11
Story Designed To 'Destabilize' *[TRUD 10 Jun]* 11
Chernomyrdin's Removal 'Improbable' *[KOMSOMOLSKAYA PRAVDA 13 Jun]* 11
Yeltsin Signs Edict on Social Accord Treaty *[Radio Rossii]* 12
Filatov: Russia Not Threatened With Disintegration *[ITAR-TASS]* 12
Filatov Reportedly Campaigning for Yeltsin *[NEZAVISIMAYA GAZETA 10 Jun]* 12
Yeltsin's National Security Adviser Profiled *[IZVESTIYA 8 Jun]* 13
Intelligence Official on Wide Range of Threats *[ITAR-TASS]* 15
FIS Official Discounts 'Nuclear Spying' Report *[NEZAVISIMAYA GAZETA 10 Jun]* 15
Luzhkov Seen Winning Confrontation With Chubays *[NEZAVISIMAYA GAZETA 10 Jun]* 16
ZAVTRA Censured for Ethics Violation *[ROSSIYSKAYA GAZETA 8 Jun]* 16

Economic Issues

Yeltsin Lifts 'Certain Limitations' on Foreign Banks *[ITAR-TASS]* 17
70 Million Bank Depositors May Get Compensation *[NEZAVISIMAYA GAZETA 10 Jun]* 17
Government Discusses Fall in Industrial Output *[Moscow TV]* 18
Soskovets: Industry in 'Crisis' *[INTERFAX]* 18
Chubays Says Privatization Complete *[ITAR-TASS]* 18
Bill on Supporting Small Businesses Approved *[ITAR-TASS]* 18
Yeltsin Signs Edicts on Housing, Construction *[INTERFAX]* 19
Favorable Balance in Jan-May Foreign Trade Figures *[ITAR-TASS]* 19
Possible Tripling in Produce Prices Feared *[SEGODNYA 9 Jun]* 20

Military Issues

Grachev Gives Overview of Military Doctrine *[NEZAVISIMAYA GAZETA 9 Jun]* 20
Comment on Duma Vote on Defense Expenditures 27
Grachev Disappointed With Military Budget *[ITAR-TASS]* 27
Spokesman: Defense Budget To Be Revised *[ITAR-TASS]* 27
Mass Rallies Organized Against Cutbacks *[INTERFAX]* 27
Soskovets Calls For Restoration of Weapons Sales *[INTERFAX]* 27
Arms Sales on World Market May Reach $30 Billion *[ITAR-TASS]* 27

Federal Assembly

Shumeyko Against Federation Council Passing Budget *[Moscow TV]* 28
Rybkin Hopes Council Will Confirm Budget *[INTERFAX]* 29
Comments on Legislation's 'Backwardness' *[ITAR-TASS]* 29
Upper House's Shirshov Wants R55 Trillion for Army *[KRASNAYA ZVEZDA 9 Jun]* 29
Committee Head: Military Budget Insufficient *[INTERFAX]* 30
Presidential Expert on Duma's Passage of Budget *[INTERFAX]* 30
Budget Passage Viewed *[NOVAYA YEZHEDNEVNAYA GAZETA 9 Jun]* 30
Yeltsin To Submit 17 Bills on Social Accord *[ITAR-TASS]* 31
Baburin Resigns From Concord For Russia Bloc *[INTERFAX]* 32
Communists Call for Abolition of Presidency *[ITAR-TASS]* 32
Unified Duma Entrepreneurship Council Proposed *[SEGODNYA 9 Jun]* 32
Polar Explorer Elected Duma Deputy Speaker *[ITAR-TASS]* 32
Duma Backs Newspapers' Call for Ownership *[KOMSOMOLSKAYA PRAVDA 9 Jun]* 32

Regional Affairs

Yeltsin, N. Ossetian President Meet *[ITAR-TASS]* 33
Skokov Confers With 3 Regional Presidents *[SEGODNYA 10 Jun]* 33
Luzhkov Concerned Over Crime in Moscow *[INTERFAX]* 33
Motives for Car Bombing Surmised *[IZVESTIYA 9 Jun]* 33
St Petersburg May Lose Water, Light From 21 Jun *[St Petersburg TV]* 34
Dudayev Says Russia's Policy Threatens New Clashes *[INTERFAX]* 34
Zavgayev Seen as Moscow Choice for Next Chechen Leader *[KOMSOMOLSKAYA PRAVDA 9 Jun]* 34
Maritime Kray Head Calls for Direct Presidential Rule *[Russian TV]* 35
Government Reshuffle in Sverdlovsk Oblast *[KOMMERSANT-DAILY 9 Jun]* 35
Russian National Unity Movement Formed in Komsomolsk *[ITAR-TASS]* 36
Sakha Republic Introduces New Rules for Foreign Visitors *[Russian TV]* 36

UKRAINE

International Affairs

DPRK Foreign Minister on Conditions for IAEA Inspections *[Seoul Radio]* 37
Says North To Continue Missile Tests *[Seoul Radio]* 37
Terms Official Visit Successful *[ITAR-TASS]* 37
Joint Trade Commission Set Up With DPRK *[UNIAN]* 37

Vietnamese Premier Meets Kravchuk; Praises Visit *[Kiev TV]* 37
SRV Businessmen Discuss Improving Trade Turnover *[UNIAN]* 38
Foreign Minister Leaves for NATO Council Session *[Kiev International]* 38
Zvyahilskyy, U.S. Ambassador Discuss Economic Cooperation *[Kiev Radio]* 38
Vice Premier Landyk for Economic Unity of CIS, E. Europe *[Kiev International]* 38
FBI, Other Special Services Seen Expanding Activity *[PRAVDA 8 Jun]* 39
More on Second Round of Talks on Black Sea Fleet *[UNIAN]* 39
Russia's Dubinin on Talks *[ITAR-TASS]* 39
Further Comments *[INTERFAX]* 40
Financial Issues Dominate Talks *[UNIAN]* 40
Kravchuk on Intent To Possess High-Precision Arms *[KOMMERSANT-DAILY 10 Jun]* 41
Israel To Sign Cooperation Document 16-17 Jun *[UNIAN]* 41
Schedule for Repayment of Debt to Russia's Gazprom *[INTERFAX]* 41

National Affairs

Crimean Crisis Said Caused Partly by Lack of Reforms *[HOLOS UKRAYINY 4 Jun]* 42
Crimean Deputy Premier Views Conflict With Legislature *[KRYMSKAYA PRAVDA 2 Jun]* 43
Kravchuk Has Measures If Crimea Fails To Align Legislation *[INTERFAX]* 43
Kravchuk Campaigns in Kharkov, Criticizes Legislature *[KIYEVSKIYE VEDOMOSTI 8 Jun]* 43
Crimean Rossiya Bloc Splits Over Talks With Kiev Deputies *[POST-INFORM]* 44
Meshkov Objects to Kiev's Interference in Internal Affairs *[SEGODNYA 10 Jun]* 44
Crimea Criticized Over Interior Ministry Controversy *[Kiev Radio]* 44
Sevastopol Receives Loan To Cover 'Urgent Needs'
[NOVAYA YEZHEDNEVNAYA GAZETA 9 Jun] 45

WESTERN REGION

Belarus

Public Bodies Urge Candidates To Annul Viskuli Agreements *[Minsk Radio]* 46
Fraternal Union With Russia, Ukraine Inevitable *[ITAR-TASS]* 46
BPF Leader Sees Russia as Enemy of Independence *[ITAR-TASS]* 46
Kebich Outlines Government Policy Toward Minorities *[RESPUBLIKA 7 Jun]* 46
Kebich Believes Government 'Should Bridle Price Formation' *[Minsk Radio]* 48
Prices for Main Foodstuffs Decreased by 15 Percent *[Minsk Radio]* 48
Former Parliament Chairman Promises Economic Recovery *[INTERFAX]* 48
Bank Releases Report Regarding Indexation of Deposits *[Minsk Radio]* 49
Border Guards Recoup Half Costs in Seized Contraband *[KRASNAYA ZVEZDA 8 Jun]* 49
Constitutional Court Deputy Chairman Meets With Military *[Minsk Radio]* 49

Moldova

Dniester Leadership Complains Over Stalled Talks *[ITAR-TASS]* 49

CENTRAL ASIA

Kazakhstan

Nazarbayev Stresses Key Task To Fight Runaway Inflation *[INTERFAX]* 50
Nazarbayev in Favor of Transferring Kazakh Capital *[INTERFAX]* 50
Government Given Free Hand in Anticrisis Measures *[INTERFAX]* 50

Kyrgyzstan

Akayev Blasts 'Neck-Breaking' EU Loan Rates *[ITAR-TASS]* 51
Indian Minister Satisfied With Visit Results *[ITAR-TASS]* 52

Tajikistan

Opposition Impeding Refugees Return From Afghanistan *[ITAR-TASS]* 52

Turkmenistan

President, Iran's Sarmadi Discuss Relations *[Tehran IRNA]* 53
New Rules Envisioned for Foreign Oil, Gas Developers *[SEGODNYA 9 Jun]* 53

CAUCASUS

Armenia

Further on Grachev Talks With Armenian Leaders *[ITAR-TASS]* 54
Grachev: Bases To Be Set Up in Armenia *[INTERFAX]* 54
Base Issue Settled 'in Principle' *[ITAR-TASS]* 55
Grachev To Fly to Tbilisi, Meet Shevardnadze *[ITAR-TASS]* 55
Sargsyan on Treaty With Russia, Nagorno-Karabakh Talks *[INTERFAX]* 55

Azerbaijan

Aliyev Leaves for Turkey; Views Russian ABM Radar Issue *[Baku TV]* 56
Oil Contracts Signed With Iran *[BAKINETS 9-19 Jun]* 57
Iran's Envoy Protests 'Troubles' Faced by Residents *[Tehran IRNA]* 57

Georgia

Grachev Arrives After Successful Armenia Visit *[ITAR-TASS]* 57
Says Peacekeepers Ready To Start *[ITAR-TASS]* 58
Military Observers To Comprise Part of Force *[IBERIA]* 58
Group Presents Petition Against Peacekeeping Forces *[ITAR-TASS]* 58
Head of State Apparatus To Be Cut by One-Third *[NEZAVISIMAYA GAZETA 9 Jun]* 58
Russia To Set Aside Funds for South Ossetia *[IBERIA]* 58
S. Ossetians Seek $25 Million Damages From Georgia *[IBERIA]* 58
Lawmakers Scorn Budget, Demand Presence of Top Leaders
[NEZAVISIMAYA GAZETA 9 Jun] 59

BALTIC STATES

Estonia

Malk, Churkin Statements on Joint Talks, Cooperation *[Estonian Ministry of Foreign Affairs]* 60

ITAR-TASS Carries Press Review for 10 Jun

LD1006065594 Moscow ITAR-TASS in English 0426 GMT 10 Jun 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow June 10 (ITAR-TASS)—"Historians and politicians will probably describe the epoch we are living through, as a period of 'minor stagnation'," the NEZAVISIMAYA GAZETA writes.

"Apathy and indifference to the present-day developments are rapidly spreading to growing numbers of Russians. They are losing respect for any form of power: for the reformer president, for 'tough economically-minded' premier and for legislators who now know 'their place' well.

"What can be expected after the end of the summer interval in the Russian political life? According to the most optimistic forecasts, both politics and economy will gradually sink into a state of stagnation which can continue for long months.

"The president will pay no attention to permanent parliamentary wrangles and the government—to trade union ultimatums and pickets. If such a situation will stabilise, it may turn advantageous (due to some reasons) for most political forces. Nobody will want to take the risk of upsetting the balance."

The same newspaper writes the following in another article: "Everyone sees now the vital need for setting up a 'flexible' centre for pooling all social democrats and socialists to exchange information and for discussions.

"Mikhail Gorbachev's participation would be also desirable in such a centre: His name has become a double symbolic borderline of a kind, dividing the centre-left space from communists, on the one hand, and from liberals, on the other.

"This structure would become not only a discussion club for Russian social democrats. It would enable us, at long last, to participate in the international movement on a regular basis, including the socialist international, contacts with which convince Russian politicians that, until Russia has only disunited parties and groups, nobody will speak with them seriously."

NEZAVISIMAYA also claims that "head of the president's office Sergey Filatov who remained at his post only thanks to a ballyhoo raised concerning his possible resignation, decided to prove his worthiness to Boris Yeltsin in the recent past.

"According to Filatov's plan, it is necessary to have a subdivision (some 120 staffers) in the president's office, which will launch even now a campaign for a new Russian president—Boris Yeltsin."

According to information available to the newspaper, many former legislators of "democratic" orientation received proposals to join this subdivision. Some of them refused, not in a very proper form at that.

Referring to a statement by deputy chairman of the state statistics committee Aris Zakharov, the ROSSIYSKAYA GAZETA newspaper writes that "industrial production in Russia dropped by 26 per cent over the past five months.

"While the fall amounted to 12 per cent in the fuel and energy complex, its figure stood at 22 per cent in the food industry, 45 in machine-building and 35 per cent in the chemical and petrochemical industries.

"Every fourth major or medium industrial enterprise in Russia stood idle for more than one shift in may. Whereas a shortage of material resources was the main reason for the drop last year, difficulties with marketing and the problem of non-payments were to blame this year."

ROSSIYSKAYA GAZETA also reports that "former Russian Prosecutor- General Alexey Kazannik and his supporters from the Urals-Siberian region are establishing a party of people's conscience. Its first congress will be held in Yekaterinburg on Friday.

"Preparatory documents say that the party intends to direct its efforts at conducting a scientifically substantiated policy of reforms and forming competent governing structures, including the government. The party intends to announce right away their 'constructive opposition' to the present authorities of the country."

The same newspaper runs an interview with Komi Republic President Yuriy Spiridonov who regards struggle against bureaucratic omnipotence as his main goal. "Small and big bureaucrats are our main enemies as well as the enemy of all Russia," he said.

"The most spectacular projects and initiatives are scrapped at the level of a bureaucrat. Mr. or Mrs. Smiths often have powers incomparable with the power of minister or president."

The ROSSIYSKIYE VESTI newspaper informs its readers that 7,948 people fell ill with diphtheria between last January and April, or 3.5 times more than over the corresponding period last year. The incidence of the infectious disease in Moscow is two or four times higher than the country's average.

The same newspaper reports that the last terrorist out of four who captured hostages at a prison in Yekaterinburg surrendered to law enforcement officers. All hostages were freed. One terrorist was killed during the operation, and another escaped.

ROSSIYSKIYE VESTI reports that law enforcement bodies exposed eight serious crimes over the past 24 hours. According to the public relations centre of the Federal Counterintelligence Service (FCS), the Moscow

FCS department completed a multi-stage operation to bust a gun-running mob which supplied the Moscow region with firearms.

The same newspaper expresses an opinion by chairman of the Russian Social Democratic Party Anatoliy Golov about former Vice- President Aleksandr Rutskoy's party. "I'd like to remind our new colleagues that social democrats are reformers in their essence rather than revolutionaries," he notes.

"Regrettably, 'popular' social democrats are closer, in spirit, to Pamyat (eds: nationalist organisation). I'm afraid that they will want to call themselves a national social democratic party with time."

Despite a refutation from Presidential Press Secretary Vyacheslav Kostikov, the KOMSOMOLSKAYA PRAVDA newspaper, referring to reliable sources in the Russian Government, continues to assert that "quarters close to President Boris Yeltsin decided, in principle, the question of Premier Viktor Chernomyrdin's resignation for health reasons and the appointment of Yuriy Skokov to this post".

The PRAVDA newspaper features an interview with Dmitriy Olshanskiy, director of the Strategic Analysis and Forecast Centre and co-chairman of the Russian Patriotic Movement "People's Alliance", who says: "People got tired of politics and stopped treating it seriously.

"The time of rallies has passed. It is time to come to agreement inside the political elite. Zyuganov's communists understand this. Indeed, neither Yeltsin, nor Yerin nor still anybody else stand at the helm of the state but elite forces—analysts, financiers and politicians—they rule the roost."

Some 100 enterprises will be offered at voucher auctions in St. Petersburg till the end of June, including two huge shopping centres and munitions factories, reports the SANKT-PETERBURGSKIE VEDOMOSTI newspaper.

Kozyrev Departs Paris for North Atlantic Meeting

Signs OECD Documents

LD0906121494 Moscow ITAR-TASS in English 1131 GMT 9 Jun 94

[By ITAR-TASS correspondents Dmitriy Gorokhov, Nikita Yermakov, and Igor Shchegolev]

[Text] Paris June 9 TASS—Russian Foreign Minister Andrey Kozyrev left here for Istanbul on Thursday to attend a North Atlantic Cooperation Council session.

Within the framework of the session of the Council of the Organisation for Economic Cooperation and Development (OECD), Kozyrev signed a package of documents establishing official contacts between Russia and the OECD and met with OECD leaders and chief delegates of a number of countries.

The documents signed open the way for broader effective long-term cooperation between Russia and the OECD, cooperation which meets the interests of the two sides, Kozyrev pointed out, summing up the results of his stay in Paris.

"This has become yet another illustration of the international community's support for Russian reforms and yet another step towards our country's integration into the world economy," he said.

Arrives in Istanbul

LD0906162694 Moscow ITAR-TASS World Service in Russian 1534 GMT 9 Jun 94

[By ITAR-TASS correspondents Dmitriy Gorokhov and Sergey Feoktistov]

[Text] Istanbul, 9 Jun—Russian Foreign Minister Andrey Kozyrev arrived in Istanbul where he will take part in a session of the North Atlantic Cooperation Council. Sixteen NATO states, including Russia and other countries of the CIS and Eastern Europe comprise the Council. Relations between the North Atlantic alliance with Russia will be one of the most important issues to be discussed in Istanbul.

Seeks To Further Ties

LD0906173194 Moscow ITAR-TASS in English 1613 GMT 9 Jun 94

[By ITAR-TASS]

[Text] Istanbul June 9—The North-Atlantic treaty organisation intends to develop relations with Russia within the "Partnership for Peace" programme, foreign ministers of NATO countries stressed in a document adopted at the NATO session on Thursday.

"Good relations between the NATO and Russia are the key element of the strengthening of security and cooperation in Europe," foreign ministers of NATO countries pointed out.

NATO foreign ministers said that they supported economic and political reforms in Russia. "We are recognising the contribution which Russia can make to the strengthening of stability and security in Europe," the final document said. "That is why we want to develop constructive relations with Russia on the basis of friendship, respect and mutual avantage," the participants in the session added.

France's Juppe Supports Partnership With Russia

LD0906171294 Moscow ITAR-TASS in English 1616 GMT 9 Jun 94

[Text] Istanbul June 9 TASS—Speaking at a foreign minister level sessopn of the NATO Council here today, French Foreign Minister Alain Juppe said that he is for an all-embracing partnership with Russia in political, economic and military spheres.

The head of the French Foreign Ministry expounded this stand at a closed-door meeting, the AFP news agency reported, quoting informed sources. According to Juppe, Western countries must not only involve Russia in resolving questions of security in Europe, but also propose to Russia to conclude a treaty on partnership with the European Unon, induct her into the Council of Europe and give her an opportunity to participate in work of the G-7's political sphere, the next regular session of which is scheduled to be held in Naples in July.

Karasin: Bosnia Peace Efforts Need Acceleration

LD0906173894 Moscow ITAR-TASS in English 1628 GMT 9 Jun 94

[By ITAR-TASS diplomatic correspondent Boris Krivoshey]

[Text] Moscow June 9 TASS—Process of peaceful settlement in the former Yugoslavia is nowadays in need of urgent activization, Grigoriy Karasin, spokesman for the Russian Foreigr Ministry, told a Moscow briefing on Thursday.

Though "the Contact Group", which communicates with the belligerents directly, has made an important preparatory contribution, it is still unable to supplant a meeting of foreign ministers, he said.

"Moscow considers it necessary to accelerate preparations for holding a new meeting of foreign ministers. We believe the meeting could take place within a week or two," the spokesman said.

Moscow hails the fact that the warring parties in Bosnia have agreed through the mediation of the United

Nations to suspend offensive operations and other provocative acts for a month, he said. The agreement comes into force tomorrow at noon (local time).

"The most important thing at present is the fact that the parties involved in the military conflict in former Yugoslavia are actually prepared to carry out the reached agreement. The vitality of the truce depends on their position, self-restraint and political will," Karasin added.

Aleksandr Belyayev, a Russian soldier of the UN Protection Force, who was fatally wounded in the beginning of this months, died on June 7. A close investigation into the tragic accident is now under way, Karasin told the briefing.

Diplomat Seeks Another Meeting on Bosnia

LD0906150294 Moscow INTERFAX in English 1355 GMT 9 Jun 94

[Text] Russia wants the next "ministerial" meeting on settlement in Bosnia and Herzegovina to be held in a week or two, a high-ranking Russian diplomat said in an interview with INTERFAX on Thursday.

He said that the exact time-frame for this meeting could be defined before the end of the week. The foreign ministers and secretaries of Russia, the U.S.A., Great Britain, France and the EU troika (Germany, Greece and Belgium) will discuss these issues in Istanbul where they will take part in the meeting of the North Atlantic Cooperation Council (NACC).

Russia seeks to invite representatives of the parties to the conflict in Bosnia to the "ministerial" meeting, to tell them about the results of the work of the contact group on the map of the demarcation in Bosnia and Herzegovina. After this the parties must have two or three weeks to think everything over and to settle the disputed issues. Thereafter, a long-term agreement putting an end to hostilities must be signed, the same sources told INTERFAX.

Bosnian Serb Leader To Receive Literature Award

LD0906150794 Moscow INTERFAX in English 1355 GMT 9 Jun 94

[Text] The visit of Bosnian Serb leader Radovan Karadzic to Moscow will be of non-official nature. He will come in order to receive the Sholokhov literature award, Russian Foreign Ministry Spokesman Grigoriy Karasin told Interfax on Thursday.

Karasin said that Karadzic had informed the Russian Foreign Ministry on his visit and had asked to arrange for him several meetings with Russian officials. "We will see how it will be. The issue has not been solved yet since we do not know the schedule of the officials who Karadzic wants to meet," Karasin emphasized.

Karasin did not rule out meetings at the official level.

Moscow Visit Postponed

LD0906202894 Belgrade TANJUG in English 1857 GMT 9 Jun 94

[Text] Moscow, May 9 (TANJUG)—President of the Bosnian Serb Republic (R.S.) Radovan Karadzic's visit to Moscow has been postponed probably until early next week, as he has not received the necessary travel papers from the U.N. sanctions committee, TANJUG learned here on Thursday.

The U.N. Security Council imposed in late May 1992 the comprehensive and mandatory sanctions on the Federal Republic of Yugoslavia (Serbia/Montenegro) for its alleged involvement in the civil war in neighbouring Bosnia-Herzegovina.

Grigoriy Karasin, senior official of the Russian Foreign Ministry, said on Thursday that Karadzic's visit to Moscow would be private, but he did not rule out the possibility of the R.S. president's meeting with officials. He is coming to Moscow to receive the 'Mikhail Sholokhov' award for literature, but the posssibility is not ruled out that he might meet with some officials. This will depend also on the schedule of the officials with whom Karadzic wants to hold talks, said Karasin.

In Moscow, Karadzic is to receive the award which was conferred on him by the Russian Writers' Association in acknowledgment of his literary work. The 'Mikhail Sholokhov' award was instituted two years ago at the initiative of the Russian Writers' Association and the Russian writers' STMCK Company.

Karadzic is the first foreigner to receive the award which has so far gone to six Russian writers.

Forces To Take Part in Abkhazia Peacekeeping Operations

LD0906191294 Moscow ITAR-TASS in English 1649 GMT 9 Jun 94

[Text] Moscow, June 9 (TASS)—Russian President Boris Yeltsin signed a decree "on the participation in peacekeeping operations for maintenance of peace in the zone of the Georgian-Abkhazian conflict."

The decree, which came to ITAR-TASS from the presidential press service, says that this decision was adopted following the deterioration of the situation in the zone of the Georgian-Abkhazian conflict and proceeding from the support given by CIS states to a proposal to carry out a peace-keeping operation in the zone of the conflict and taking into account repeated requests made by Georgian and Abkhazian leaders to deploy peace-keeping forces without delay.

Yeltsin decreed: "To take part in carrying out a peacekeeping operation by the Commonwealth of Independent States for the maintenance of peace in Abkhazia." (point 1)

The Russian Government has been instructed to ensure the formation of the necessary military contingent on the basis of Russian troops having a status of a peacekeeping force, with the use of the infrastructure of the Russian Armed Forces stationed in the Caucasus, with its possible subsequent reinforcement after the federation council adopts a corresponding decision.

The decree goes into effect since the moment of signing, except point 1, which will come into force after the federation council adopts a decision on the use of the Russian military contingent as part of the CIS peacekeeping force in Abkhazia.

The decree has been submitted to the federation council for consideration.

Duma Official Against Ratification of Georgia Treaty

LD0906180194 Tbilisi IBERIA in Georgian 1400 GMT 9 Jun 94

[Text] Moscow, 9 Jun—Yevgeniy Ambartsumov, a member of the Russian State Duma who chaired the foreign policy committee in the former Supreme Soviet, has made a strong appeal against the Russian parliament's ratification of a Russo-Georgian treaty. In his words, Armenia has already become Russia's strategic ally in the Caucases; therefore, there is no need to make any concessions to Georgia.

Chernomyrdin Concludes Germany Visit

LD1006111594 Moscow ITAR-TASS in English 1055 GMT 10 Jun 94

[By ITAR-TASS correspondent Gennadiy Temnenkov: "Russian Premier Returns Home From a Medical Visit to Germany"—TASS headline]

[Text] Bonn June 10 TASS— Russian Prime Minister Viktor Chernomyrdin has completed his private visit to Federal Germany and left for Moscow.

Panov Says Proposals on Korea Meet With 'Understanding'

LD1006111094 Moscow ITAR-TASS in English 0921 GMT 10 Jun 94

[By ITAR-TASS diplomatic correspondent Vladimir Solntsev]

[Text] Moscow June 10 TASS—"Russia's idea to hold an international conference on the Korean peninsula's security and nuclear-free status are meeting with increasing understanding and support", Russian Deputy Foreign Minister Aleksandr Panov told ITAR- TASS. The diplomat met North Korean Ambassador to Russia Son Sung- pil on Wednesday [8 June], and Chinese Ambassador Wang Jinqing—on Friday.

According to the deputy foreign minister, "nobody objects in principle" to an international conference, which should be attended, in Moscow's opinion, by representatives from North and South Korea, Russia, the United States, China, Japan, and also the United Nations and the International Atomic Energy Agency.

Panov noted that "the Democratic People's Republic of Korea is now calling much more persistently for such a conference". A sufficiently positive assessment of the Russian initiative was made by the North Korean Ambassador and somewhat earlier, in Kiev, by North Korean Foreign Minister Kim Yong-nam. "They said that they regard our idea with full understanding, because it pursues the purpose of achieving a peaceful settlement of the problem. They are prepared to study it carefully," Panov stated.

According to the deputy foreign minister, "some people believe that first it is necessary to impose sanctions on North Korea and then to hold such a conference. We believe that this is a strange approach. There will most probably be no conference if the sanctions are clamped down".

Panov recalled that the procedure proposed by Russia was determined by President Boris Yeltsin. He believes that "the conference should be held first in order to make full use of all the available political opportunities, including talks. After that North Korea could be warned about the sanctions and then subjected to them. However, we think that things will not go to such length."

"At present," the Russian diplomat said, "we regard the conference as the only alternative, because the bilateral talks between the United States and the Democratic People's Republic of Korea have landed in an impasse". He recalled that Moscow "did not object to the bilateral format, but since it has been exhausted, we must try to use the international version". "We proceed from the premise that it is necessary, first and foremost, to try this approach," the deputy foreign minister stressed.

EU Accord Would Force End to Bank Protectionism

PM0906111194 Moscow ROSSIYSKIYE VESTI in Russian 9 Jun 94 p 1

[Igor Petrov article: "Russian Commercial Banks Ready for Competition. But Only Among Themselves"]

[Text] The disputes on the activity of foreign banks in Russia which were on the point of dying down seem to be about to flare up again with renewed force. It cannot be ruled out that is connected with the request of the French bank subsidiary "Societe Generale Rossiya" and the Moscow branch of the "Austria" bank for admission to the Association of Russian Banks, one of the most influential banking organizations.

Let me remind you that the "Austria" bank was licensed by the Central Bank of Russia to set up a branch in

Moscow without the right to provide services to Russian residents back on 5 October 1992. The "Societe Generale Rossiya," with an incorporation capital of $35 million, was given broader powers by the Central Bank of Russia, but because it did not begin working with residents before 15 November 1993 it fell under the effect of the President's "restrictive" edict and has now formally lost that right for two years.

Local Russian bankers look so self-assured and respectable in their TV advertisements but almost in unison plead poverty when it comes to competing in the banking services market with well-known Western financial institutions. So far they have successfully used the banner of judicious protectionism to justify raising a solid barrier against their foreign counterparts' penetration of Russia. For example, Sergey Filatov, director of the President's Staff, has officially confirmed that there is no draft presidential edict on expanding the operations of foreign banks on Russian territory in preparation.

At the same time, Vice Premier Aleksandr Shokhin has stated that if bilateral agreements are signed between Russia and the European Union [EU] or any other country on mutual preferences in the granting of access to each other's market, the government will ask the president to lift the prohibitive effect of his edict on those countries' banks.

In A. Shokhin's words, the Russian Government will work for the "gradual extension of the national regime to foreign banks." But there are quite a few exclusions of a protectionist nature in agreements with the EU right now. For example, foreign banks' capital must not exceed 12 percent of total Russian bank capital, there is a three-year restriction on their dealing in securities, and the minimum residue in their accounts must be at least 50,000 ECU's.

Russia's commercial banks have been given a considerable head start. But will they be able to use it to the benefit of their clients?

Moscow To Secure Repayment Deferment From Paris Club

LD0806143694 Moscow INTERFAX in English 1329 GMT 8 Jun 94

[Text] Russia intends to secure from the Paris Club a deferment for the repayment of 20 billion dollars, a high-ranking representative of the Finance Ministry told the Financial Information Agency, commenting on the recent agreement on the deferment of the repayment of 7 billion dollars.

By agreement with the Paris Club, Moscow will repay the 7 billion dollars over a period stretching till the year 2010. To quote this representative, the talks held in Paris on June 2 and 3 were based on the March agreement between Moscow and the International Monetary Fund on the extension of the second part of the 1.5 billion dollar systematic transformation credit.

To reach an agreement on deferment, Russia is to secure the International Monetary Fund's approval and receive reserve credit from it of about 4 billion dollars.

Talks between the Central Bank and Finance Ministry on the one hand, and the International Monetary Fund on the other are to begin next autumn.

Military Cooperation Talks Continue With Malaysia

LD0906171694 Moscow INTERFAX in English 1536 GMT 9 Jun 94

[Text] Russia and Malaysia intend to continue their talks on military cooperation, Interfax was informed by Sergey Chumachenko, head of the Rosvooruzheniye state company's foreign economic relations department, told Interfax. The company signed a contract worth 600 million US dollars on June 7 for the supply of 18 MiG-29 fighter planes to Malaysia.

Chumachenko said that the two countries would, "after a short breather," continue talks on a broad range of issues, which could include upgrading Malaysia's navy.

He denied that Moscow had sold the fighters on the cheap. He said representatives from the Dementiyev Aviation and Industrial Association, which manufactures the aircraft, had been present at the talks and when the contract was signed and they would hardly have agreed to under-price their own products.

The contract with Malaysia also provides for the supply of facilities to service the aircraft before the end of the year, training for staff, and spare parts both during and after the guarantee period runs out. Approximately 75 pct of the total cost of the contract will be paid off in hard currency, and the remainder in supplies of palm-oil for sale by Moscow to other countries.

Rosvooruzhheniye, Russia's leading exporter and importer of arms and military hardware, was set up at the end of last year after a decree by Russian President Boris Yeltsin.

Indonesia Tries To Resolve DPRK Nuclear Issue

SK1006014194 Moscow Radio Moscow in Korean 1000 GMT 9 Jun 94

[Text] The Indonesian Foreign Ministry's Public Affairs Director (Abid) said in an interview with ITAR-TASS on 9 June that, as the chair state of the nonaligned movement, Indonesia is making quiet diplomatic efforts to peacefully resolve the serious nuclear issue of the Korean peninsula. Indonesia is relying on the dispatch of special envoys to countries directly concerned of the dispute, including the DPRK, the United States, the PRC, and Japan, and the contact with the International Atomic Energy Agency in Vienna. These are aimed at peacefully solving all the problems, he said.

The Foreign Ministry spokesman pointed out that the nuclear issue of the Korean peninsula had been discussed in depth during the meeting of the foreign ministers of nonaligned countries held in Cairo some time ago. The participants agreed that problems concerning the Korean peninsula should be solved through peaceful means and that contacts between all parties concerned should continue.

ASEAN Interested in Russian Military Equipment

LD0906122494 Moscow INTERFAX in English 1039 GMT 9 Jun 94

[Text] Russian First Vice Premier Oleg Soskovets commented on the details of the contract for selling 18 Russian MiG-29 jets to Malaysia. He said that the contract costing 550 million dollars will ensure employment for 100,000 people on Russian industrial military enterprises over the next two years. There will also be more jobs at enterprises producing spare parts for military jets until the contract expires.

Soskovets emphasized that other ASEAN (Association of South East Asian Nations) countries had also showed interest in Russian military equipment. Soskovets stressed that the contract with Malaysia was even more important since in 1994 the Russian Air Forces had ordered only 17 military jets from the military industrial enterprises.

Speaking on the contacts with Russian diplomats in Kuala Lumpur and Delhi where the Russian governmental delegation had stopped on its way from Malaysia, Soskovets regretted that Russian diplomats hardly knew the realities of life in Russia or bilateral economic relations and just kept complaining about the conditions of living and working in the country where they were sent. Soskovets announced that he had asked Deputy Foreign Minister Igor Ivanov to make a report on the performance of the Russian embassies in India and Malaysia.

Radio Liberty Asks Yeltsin To Disclose KGB Agents

MK0906111794 Moscow SEGODNYA in Russian 9 Jun 94 p 2

[Anatoliy Veslo report under the "Cadres" rubric: "Yeltsin Has Been Asked To Disclose Agents"]

[Text] Forty-eight Radio Liberty employees are waiting for President Yeltsin to answer a letter they sent from Munich. The letter was delivered through registered mail to the address: Sergey Filatov, c/o the President, Moscow, the Kremlin. Therefore, one would have thought, it is at the disposal of Boris Yeltsin's staff.

This missive is an open letter, that is to say it is intended for public consumption. Which is why we feel free to disclose its contents. Having reminded the president that in August 1991 he lauded "Liberty," several of its employees complained that this radio station "has been in past years one of the targets of the KGB," which had infiltrated its agents there. They asked Boris Yeltsin to emulate Vaclav Havel who "has submitted information on the agents who worked at one time or who still continue to work for the Czechoslovak service," and "to declassify the list of KGB agents infiltrated (or recruited) in Radio Liberty.

One can appreciate the radio station's employees' anxiety—that any of their colleagues may turn out to be a secret enemy. Among those who signed the letter, there are not many names known to listeners—but then this too is understandable because an average employee is often in no position to see who is who, and some help from the president of Russia, who is known for his ability to work in the realm of personnel, could be useful to such an employee.

In the meantime, according to some information, the staff of the radio station financed by the U.S. Congress may be cut, especially in the process of the possible move of its headquarters from Munich to Prague. Most certainly, when personnel cuts are inevitable, employees not too certain of their future cannot but do their best to show their political loyalty while at the same time fingering those bosses who should be fired in their stead.

Incidentally, some sources report that being discussed in Moscow is the following version of a reply to the letter—to propose to President Clinton to declassify the lists of CIA agents at Radio Liberty, first in order to compare them with the Russian list, and second in order that the radio station's chiefs could see who of their employees are regarded by special services as pros.

Yeltsin Receives Italian Prime Minister's Envoy

LD0906151794 Moscow ITAR-TASS in English 1357 GMT 9 Jun 94

[Text] Moscow June 9 TASS—Russian President Boris Yeltsin received on Thursday Italian prime minister's envoy Pietro Calamia to discuss preparations for the G-7 summit in Naples and Russia's role in the activity of the G-7, the Russian presidential press service reported on Thursday.

Government To Increase Aid to Rwandan Refugees

LD0906164894 Moscow ITAR-TASS in English 1604 GMT 9 Jun 94

[By ITAR-TASS diplomatic correspondent Boris Krivoshey]

[Text] Moscow June 9 TASS—Russia fully shares the intenational community's deep concern over continued violence in Rwanda which is aggravating humanitarian crisis in that country, Grigoriy Karasin, head of the Information and Press Department in the Russian Foreign Ministry, said at a briefing today.

The Russian side is taking direct part in operations to provide humanitarian aid to Rwandan refugees in Tanzania, where a truck detachemnt from Russia is already working. The Russian trucks are transporting essential goods to refugee camps. Russia intends to increase its participation in this operation, and in the near future, in agreement with the U.N., intends to send additional 20 trucks and a group of specialists together with different kinds of equipment for this purpose, Grigoriy Karasin said.

Russian Air Space Violated 109 Times in Past Year

LD0906202294 Moscow ITAR-TASS World Service in Russian 1412 GMT 9 Jun 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 9 Jun—The rules of using Russia's air space have been violated 109 times in the past year. This was done 22 times by aircraft of the former USSR states, and 27 times by planes belonging to other foreign states. The air defense troops have been forced to take decisive measures with regard to transgressors. Forty five aircraft were forced to land en route or to return to their place of departure.

These figures were cited in an appeal by the command of the air defense troops to all ministries and departments, as well as to the management of Russian commercial and foreign airlines. The document, which ITAR-TASS received today from the press service of the air defense forces main command, requests that the rules for the use of Russian Federation air space be strictly observed, and stresses that only concerted action can prevent emergency situations, including those involving human losses.

Chief Delegate Urges Deeper Dialogue With OAS

LD0906110494 Moscow ITAR-TASS in English 1028 GMT 9 Jun 94

[By ITAR-TASS correspondent Vadim Chistov]

[Text] Brasilia June 9 TASS—The text of a speech made by Georgiy Mamedov, leader of the Russian delegation and deputy foreign minister, at the 24th session of the General Assembly of the Organisation of American States (OAS) in the Brazilian city of Belem, was circulated as an official document on Wednesday.

Russia, which was granted the status of permanent observer at the OAS in 1992, comes out in favour of "in-depth dialogue with American states sharing common democratic values and the striving for security and peace", the document emphasised.

The economic reforms experience gained in Latin American countries can be of much benefit to Russia. There are real prerequisites for broader trade, economic, scientific and technical cooperation between Russia and countries in the region. The establishment of contacts in the field of advanced technology, in space research and the uses of nuclear energy, in particular, can be of great importance, the document pointed out.

In his speech Mamedov also stressed the importance of cooperative action in combating drug trafficking.

The OAS, which brings together the United States, Canada, and 32 Latin American countries, was founded in 1948 and is the most widely-representative and authoritative hemispheric organisation.

Visa-Free Travel Agreement Signed With Slovakia

PM0906113394 Moscow ROSSIYSKIYE VESTI in Russian 9 Jun 94 p 3

[ITAR-TASS report: "Travel to Slovakia Possible without Visa"]

[Text] Slovakia is the first of the "Visegrad group" of countries to agree to visa-free travel for its citizens and citizens of Russia in both directions. An intergovernmental agreement was signed here today which introduces liberal conditions for travel under a general civil passport. This applies to all people who travel to Russia or Slovakia with an invitation for private or official business and for tourism or medical treatment for a period of up to 30 days. Visas will only be needed by those people who intend to look for work or change their permanent place of residence.

"The agreement which has been signed," Foreign Minister Eduard Kukan stated in an interview with your ITAR-TASS correspondent, "will help to deepen mutual contacts and cooperation between the two countries' citizens. This is dictated by the mutual interests of Slovakia and Russia but is not evidence of a new emphasis in Slovakia's eastern policy."

Karasin on Right To Protect Servicemen in Tajikistan

LD0906163794 Moscow INTERFAX in English 1502 GMT 9 Jun 94

[From the "Diplomatic Panorama" feature: Igor Porshnev, Vitaly Trubetskoi and others]

[Text] Moscow reserves the right to use every tool at its disposal to protect its servicemen and other Russians in Tajikistan. Grigory Karasin, Russian Foreign Ministry spokesman, said at a Moscow briefing Thursday that armed terror had been and would be dealt with resolutely.

He said that the recent killings of Russian servicemen and ethnic Russians in Tajikistan was the work of those who did not want peace and stability in that country.

Karasin also said that at its emergency meeting the Tajik government had decided to take up numerous steps to protect the Russians and the residents of the Tajik capital. Round the clock patrolling had been introduced in areas inhabited by Russians. Investigation teams in which military prosecutors are represented have been set up.

Military Talks With Moldova 'More Constructive'

PM0906123794 Moscow KRASNAYA ZVEZDA in Russian 9 Jun 94 p 3

[Report by Sergey Knyazkov: "New Deadline—Three Years Hence. Moldavia Agrees That Withdrawal of Russian 14th Army in 1994 Is Unrealistic"]

[Text] The ninth round of the Russian-Moldavian talks on the status of and deadline for the withdrawal of the Russian 14th Army from the territory of Moldavia [Moldova] took place in Moscow on 7-8 June. Unlike previous rounds, so special envoy Vladimir Kitayev, head of the Russian delegation, announced, the talks took a more constructive course. The Moldavian side abandoned its demand for the withdrawal of the 14th Army by 1 July 1994 and suggested that it be done over a period of three years. Clearly, the more realistic approach to the deadline for the withdrawal of Russian forces is connected with the change in the political climate in Kishinev [Chisinau] following the Moldavian parliamentary elections.

The Moldavian delegation included four representatives of the Dniester region as observers. On 7 June a statement was issued in their name to the effect that Tiraspol is totally against the withdrawal of the 14th Army. But if it is decided nonetheless to withdraw it, the Dniester region intends to insist that all the Army's property and armaments remain in the Dniester Moldavian Republic. This statement further emphasizes that the "Dniester problem" is still as acute as ever, despite the fact that confidence has begun to grow of late in relations between Kishinev and Tiraspol. But it was pretty obvious at this round of the Russian-Moldavian talks too that the withdrawal of Russian subunits from the territory of Moldova can be implemented only if the safety of civilians on both sides of the Dniester is secured.

The information from the Russian Federation Ground Forces press center (I would point out that Colonel General Eduard Vorobyev, deputy commander in chief of the ground forces, heads the group of military representatives in the Russian delegation) is that progress has been made on a main agreement on the legal status, procedure, and deadline for the withdrawal of our forces from Moldavia. The delegations discussed agreements on Russian military aircraft's flying activities in the Republic of Moldavia, on the use of the airfield in Tiraspol by Russian Federation Defense Ministry transports, and a number of other topics.

Seven agreements between Russia and Moldavia have been concluded and implemented since 8 August 1992, when the first round of talks took place.

An agreement on equivalent exchange for the 189th Missile Brigade is in the implementation stage: Russia has bought transport and loading systems from Moldavia and is supplying noncombat military equipment and property in exchange.

Almaty's Hopes for Signing Baykonur Treaty 'Premature'

MK1006095394 Moscow KOMMERSANT-DAILY in Russian 10 Jun 94 p 4

[Aleksandr Koretskiy report: "Draft Treaty on Baykonur Ready. Moscow Has Yet To Ponder Kazakh Draft"]

[Excerpts] The Russian-Kazakh wrangle over Baykonur is nearing denouement. Pointing to this is a draft treaty on leasing the space center worked out in Alma-Ata [Almaty] and passed on to the head of the Russian Space Agency [RSA]. It does not transcend the framework of the March understandings between the presidents of the two countries as regards its principle positions. Kazakhstan's confidence this document will be signed soon, however, is clearly premature. [passage omitted]

The draft leasing agreement received by RSA head Yuriy Koptev from his Kazakh counterpart Aysultan Kalybayev contains, in addition to general, "nonnegotiable"—as Mr. Kalybayev put it—terms of the lease—the sum and the duration (20 years with a possible extension for another 10 years)—also contains terms that the men in Moscow decline to comment on for the time being. For example, Alma-Ata intends to charge extra for water and electricity supply to the space center and for temporary right-of-way status for territories in the path of falling separating parts of booster rockets. True, Mr. Kalybayev promises, the cost of these services "will not exceed the level envisioned for internal consumers." Neither has the question of including in the cost of leasing the additional "space-related" services

(doing research on commission, flights by Kazakh cosmonauts and many other things) been decided. These costs, experts believe, may amount to 50 percent of the proposed leasing sum.

In this connection, the hopes nurtured in Alma-Ata for the signing of the treaty as early as end of June are so far premature. More so because, as your KOMMERSANT-DAILY correspondent has managed to learn, at the moment the RSA is not even talking about looking at the Kazakh version. Considering the fact that Russia, as they have advised at the RSA, "has its own ideas" about the leasing pattern, as well as a mechanism for making such decisions, one can say in full confidence that the signing cannot take place before two or three months from now. If no new snags develop.

Ukraine To Repay Gas Debt by Building Housing

PM0906105194 Moscow IZVESTIYA in Russian 9 Jun 94 First Edition p 1

[POSTFACTUM report under the "From Our Correspondents and News Agencies" rubric: "Ukraine Will Repay Gas Debts in Apartments"]

[Text] Ukraine is obligated to build 145,000 square meters of housing in Russia to pay off its debt to the "Gazprom" Russian joint-stock company.

As the "Gazprom" Russian joint-stock company reported, the Ukrainian debt for gas already supplied amounts to $800 million. Ukraine is obligated to build housing for citizens working in the north in the gas-production industry to pay off this debt. Financial repayment of the debt has for the moment been postponed.

Political Issues

Chernomyrdin Back in Moscow, Condemns Rumors

LD1006145594 Moscow ITAR-TASS World Service in Russian 1420 GMT 10 Jun 94

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow, 10 Jun—Russian Prime Minister Viktor Chernomyrdin returned to Moscow today from Germany. Let us recall that since 5 June he had been undergoing a medical examination and a course of treatment there.

Regarding the rumors that had appeared about his possible resignation from the post of Prime Minister Viktor Chernomyrdin stated: "In society there are still forces putting forth similar rumors." "They are trying thereby to keep the whole country in a state of tension," he emphasized.

The prime minister will spend the remainder of his holiday until 15 June in Moscow.

Soskovets Calls Rumors 'Gargage'

LD0906150094 Moscow ITAR-TASS World Service in Russian 1330 GMT 9 Jun 94

[By unidentified ITAR-TASS correspondent]

[Text] Moscow, 9 Jun—First Deputy Prime Minister Oleg Soskovets has categorically refuted a report that appeared in the press about the possible resignation for health reasons of Russian Prime Minister Viktor Chernomyrdin and the appointment of Yuriy Skokov to this post. He called such information complete garbage.

A well-informed source in the government told the ITAR-TASS correspondent today that this evening Chernomyrdin was returning from Germany. But the question of his participation in tomorrow's all-Russian builders' conference in the Kremlin with the participation of the Russian president currently remained open. In all probability, Soskovets would deliver a report there.

Aleksandr Livshits, head of the Russian president's group of experts, told the ITAR-TASS correspondent the following concerning the fabrications about the possible resignation of Chernomyrdin: Such rumors are advantageous only to those who are trying to snatch power, and for this purpose to set at loggerheads the leaders of the government and the president's administration. We are working amid continuous malevolence, but our team of reformers will not let this put their nose out of joint.

At the federation of goods producers, which is chaired by Yuriy Skokov, whom the authors of the article in KOMSOMOLSKAYA PRAVDA have destined for the post of prime minister, the ITAR-TASS correspondent was told: This is mere fiction and nothing else, and it is a pity that it compromises our federation's leader.

Story Designed To 'Destabilize'

PM0906190194 Moscow TRUD in Russian 10 Jun 94 p 1

[Article by Vitaliy Golobachev: "Much Ado About Nothing?"]

[Text] There was a report in the press yesterday to the effect that it had been "decided in principle that Viktor Chernomyrdin should resign on health grounds and Yuriy Skokov should be appointed to the post." It was also reported that the president had actually met with Yu. Skokov and the relevant draft edicts had now been prepared.

But senior officials in the Russian presidential and government apparatuses denied these reports. "Someone was very keen to destabilize the situation in the country and cause trouble on the threshold of the election race," I was told by Valeriy Grishin, deputy chief of the Russian Federation Government Press Service, who, incidentally, had been cited in the press. "I did not talk to anyone on this subject. This false report has reverberated worldwide. For example, we are being telephoned and quizzed by anxious staff of foreign banks.... It is just another 'scenario,' which could cause the country material as well as psychological damage..."

Vyacheslav Kostikov made a very strong statement on the Russian president's behalf, describing the rumors as "downright lies. Let all the conjecture and speculation on this subject be on the conscience of the unscrupulous journalists and the politicians who are behind reports of this kind," Kostikov said.

Chernomyrdin's Removal 'Improbable'

PM0906184594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 10-13 Jun 94 p 2

[Articles by Stas Stremidlovskiy and Sergey Mashtakov under the rubric "Rumors" and the general heading: "Can There Be Smoke Without Fire, Or What Will Come of the Talk About Chernomyrdin's Resignation?"]

[Text] [Stremidlovskiy] Informed sources in the Russian Federation Government reported this week that it has been decided in principle by those close to Russian Federation President Boris Yeltsin that Viktor Chernomyrdin should resign as prime minister on health grounds and Yuriy Skokov should be appointed to the post.

Analysts note that this is really a natural step for Yuriy Skokov. Back in 1991 he occupied the post of chairman of the Supreme Economic Council, and then he was secretary of the Russian Federation Security Council. In his book *Notes of a President* Boris Yeltsin said that "Skokov is really a prime minister in waiting ['tenevoy' premyer-ministr]" and noted the great contribution he made during the August events of 1991.

According to the experts, the price Yuriy Vladimirovich would have to pay for the appointment as government

head would be the guaranteed passage of the president's draft laws through the State Duma. When you recall that the other day Skokov signed an agreement in cooperation with the major deputies' group "New Regional Policy," which comprises 65 deputies, this would present no big problem.

[Mashtakov] The rumors that are rife about Viktor Chernomyrdin's possible resignation as prime minister are improbable for two reasons.

In the first place, Viktor Stepanovich has not yet had a major quarrel with anyone. Moreover, if you look at what his immediate subordinates (for example, Andrey Illarionov, head of the premier's analysis group, who resigned in February) have said, Viktor Stepanovich is held in high esteem by Boris Nikolayevich.

Second, Chernomyrdin has real political forces behind him. Above all, you have the military-induistrial complex, the fuel and energy complex, and the agro-industrial complex, whose leaders are linked to the premier not only by similar views but also by personal friendship.

Yuriy Skokov, who, according to the rumors, is to succeed Chernomyrdin as premier, is a less significant figure on the Russian Olympus. At best what he might have behind him is the support of the "New Regional Policy" parliamentary faction.

Yeltsin Signs Edict on Social Accord Treaty

LD1006083994 Moscow Radio Rossii Network in Russian 0700 GMT 10 Jun 94

[Text] President Boris Yeltsin has signed an edict on measures to implement the treaty on public accord. A conciliation commission [soglasitelnaya komissiya] is being set up to deal with this. Sergey Filatov, the head of the president's administration, has been appointed its chairman. The conciliation commission will cooperate in its work with the Federal Assembly's Federation Council and State Duma, as well as with parties, social and public movements, and other organizations whose representatives signed the treaty on public accord.

Filatov: Russia Not Threatened With Disintegration

LD1006074194 Moscow ITAR-TASS World Service in Russian 2245 GMT 9 Jun 94

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow, 10 Jun—"Russia is not threatened with the fate of the USSR, which disintegrated. The fourth anniversary since the day that the declaration on the state sovereignty of the Russian Federation was adopted on 12 June, 1990, confirms that the Russian Federation, in acquiring its independence, has been preserved as an integral state and is continuing to grow stronger." This was the stand expressed by Sergey Filatov, head of the Russian President's administration, on the eve of the state holiday.

Filatov attributes great significance in the strengthening of the Federation to the working out of a new regional policy, which still has not been reinforced by the constitutions of the Russian republics, by the regulations of the krays and oblasts, and by the law on local administration, which the State Duma is scheduled to adopt in June. According to Filatov, the efforts of the state legal administration and the directorate for work with the territories under the Russian president, as well as of the Ministry for Nationalities and Regional Policy Affairs, will be aimed at equipping the subjects of the Federation with their own legislation.

In Filatov's opinion, adopting the bilateral treaty between Russia and Tatarstan—a document that became the prologue to establishing new relations between the center and the subjects of the Federation—was an important landmark in strengthening the Russian Federation. Similar agreements will be signed in the near future with Kabardino-Balkaria, Bashkortostan, and Kaliningrad Oblast, and in the future with all subjects of the Federation.

Filatov said that it was the purpose of state policy to achieve a "wealthy and uniform standard of living for all the citizens of Russia," which is only attainable in conditions where there is accord in society.

To implement the treaty on public accord, to which 854 state, political, and public figures put their signatures to last month, a decree from Boris Yeltsin on the transformation of the public chamber supervised by the Russian president into a conciliatory coordinating body is expected in the near future.

Filatov Reportedly Campaigning for Yeltsin

MK1006074094 Moscow NEZAVISIMAYA GAZETA in Russian 10 Jun 94 p 1

["NG" report under the "In Brief" rubric: "Filatov Active"]

[Text] NEZAVISIMAYA GAZETA has come to learn that presidential chief of staff Sergey Filatov, who remains in his position only thanks to the hue and cry raised around his possible resignation, has lately decided to prove his usefulness to Yeltsin. According to his plan, the administration's structure should have a subdivision (some 120 people in number) that would already now launch a campaign for a new president of Russia—Boris Yeltsin. According to NEZAVISIMAYA GAZETA's information, many "democratically" oriented former people's deputies of the Russian Federation have received an invitation to join such a service. Some of them have refused, in unprintable form.

Yeltsin's National Security Adviser Profiled

PM0906140194 Moscow IZVESTIYA in Russian 8 Jun 94 p 4

[Article by Aleksandr Shalnev: "More Important Than Generals. Yuriy Baturin on the Inside of the Kremlin"]

[Text] When Boris Yeltsin sets off for his regular vacation this summer—or fall—Yuriy Baturin, the president's national security adviser, will be left "in charge" of the Kremlin apparatus. One aide always remains in the Kremlin during the vacation period, while the others all take the opportunity to take a breather while the president is away from Moscow.

Why Baturin exactly? Because the job description of his post, which was created at the end of last year, could not be better suited to the problems which almost traditionally arise when Yeltsin is on vacation.

Baturin, if I am not mistaken, has never yet publicly outlined the range of his functions and the duties which the president has imposed on him.

Conversations in the Kremlin and in a number of government and nongovernmental organizations and departments, however, now permit us to form a definite impression of what the national security adviser does.

Parallels with the United States, where national security advisers have automatically belonged for many decades now to what we call the presidential staff, would in this case be considerably strained.

For at least two reasons. In the United States the status of such aides is enshrined in law. In our country neither Baturin nor any other other presidential aide has such a status. Though, as it turns out, work on a Statute on Aides, which will subsequently be formulated as a presidential edict—but once again without legislative ratification—has been going on for several months now. True, the scheduled deadline for the preparation of the draft statute, it is said, has already passed, but in point of fact there is no special reason for haste. Everyone knows anyway that, as one high-ranking official told me, "the president forms his apparatus as he sees fit, and he is fully entitled to do so" and that, in addition, the leader of each department and each level of authority understands that the aides are the president's right-hand men, and, if anyone refuses to fulfill a request or requirement from an aide, "he will be in hot water the next day."

And second: Unlike the United States, where threats to national security, whether real or potential, stem mostly, if not 100-percent from without, danger to Russia's national interests is bounded by quite different parameters—internal or peripheral.

Hence Baturin—who has not, incidentally, been relieved of the duties linked with his previous position of adviser on legal questions, from which he was transferred to national security—is concerned first and foremost with internal situations. Naturally, conflict and potentially explosive situations, whether it be the situation in, say, Tajikistan, or the latest hostage crisis in Ossetia.

His sphere of influence is the power structures. True, Baturin himself is categorically against his post being seen as, let alone being called, that of coordinator of the power ministries and departments. He prefers another term—adviser [pomoshchnik]. An adviser to these structures on their contacts with the president, and—not without importance—on resolving the problems which these structures encounter.

Relations with the power structures are various. With some—particularly with the Federal Counterintelligence Service, the Foreign Intelligence Service, the Border Guards, and the government communications service—contacts are very close and productive.

Contacts with other departments are marked by problems. None of those with whom I spoke went into detail, still less spoke about the difficulties in such a way as to make it possible to give a direct reference to the source afterward.

But without direct quotations I will remark that the lack of enthusiasm over the creation of the post of national security adviser which was initially typical of all power structure workers, virtually without exception, and which Baturin managed to overcome in his relations with some of them, still remains in his work with the defense minister and, in particular, with the foreign minister.

Both these ministers, as is well known, are very close to the president and are accustomed to direct access to Yeltsin. According to certain information, Boris Yeltsin, clearly understanding the delicacy of the situation, is himself not inclined to accelerate Baturin's transformation into a broker in his contacts with Kozyrev and Grachev. Baturin, according to the comments of people who are well acquainted with his style and methods, is also not keen on the idea, preferring to operate gradually, step by step, not throwing his weight around but simply giving others the chance to see that he is really useful and necessary precisely as a connecting link with the president, as a man vested with the powers to resolve many questions—including extremely problematic questions—independently, without pestering Yeltsin.

Are there exceptions to these powers? Of course. The exceptions are situations requiring a political solution, or when two or three directly contradictory opinions are expressed on the same question. Then recourse to the president is inevitable; these polar options are placed on his desk and he, and only he, chooses the one which he considers correct and acceptable.

As if illustrating the delicacy of his relationship with the Ministry of Foreign Affairs, Baturin refused outright to name even one foreign country whose problems—in particular problems connected with these countries' relations with Russia—the president has instructed him to tackle directly. To a certain extent, understandably, the

same delicacy characterizes relations within the presidential apparatus itself, where, as is well known, the post of foreign affairs adviser, occupied by Dmitriy Ryurik, has existed for a long time.

Nevertheless, the geographical or strategic range of Baturin's "foreign" functions can be calculated approximately from the fact that, for example, the national security adviser, who often accompanies the president on foreign trips so as to "avoid confusion," intends to go with Yeltsin to Naples in July for the meeting of G-7 heads of state and government.

Continuing the theme of the difficulties which can be explained by purely personal factors and the traditions of interdepartmental bureaucratic friction, it is impossible not to touch on the situation, in some ways paradoxical, whereby alongside the president's adviser tackling national security problems and endowed with a small, but nevertheless his own staff of assistants a similar structure operates in parallel—the legislatively enshrined Security Council, headed in everyday practical functions by Oleg Lobov and having, naturally, its own apparatus.

Relations between these two structures—and no one has sought to deny this—are strained. Lobov, considered by some as "Yeltsin's man," found out about Baturin's appointment, it is said, only from newspaper reports. However, the appointment was so sudden that the Security Council secretary was not the only one left in ignorance until the last minute.

But the problem, it seems to me, is not so much in possible personal grievances and suspicions that someone wants to undermine someone else. The problem is different; genetic, perhaps. A situation has arisen whereby two structures handling in principle the same questions and to some extent duplicating one another are forced to coexist. Competition, and all that competition entails, cannot be avoided.

For example, competition over such an apparently banal question as who has what access to the president. Baturin meets Yeltsin almost every day, Lobov—once a week; saying, it is true, that such meetings are sufficient, but at once adding: "I would like to meet more often."

Or the problem of keeping informed. Baturin, all the reports suggest, possesses far more information possibilities than the Security Council, even though in theory the sources are the same for both. But I was told that departments and ministries share information, mostly of an operational nature, with the president's adviser even in cases when he does not specifically request it. The Security Council, however, informed people testify, mainly receives information in response to requests, and sometimes in the form of weighty analytical documents. But clear and succinct information is needed—there is no dispute here—bearing in mind in particular that the president prefers to deal with documents numbering two or three pages, and frequently just one page.

Incidentally: According to sources, Baturin intends to institute the preparation of a daily report for the president—a kind of "list of threats to Russia's national security." It will be exactly one page in length with, it is true, more lengthy fact sheets appended, so that the president, if necessary or if he so desires, can turn to them for details. Relevant places in the fact sheets will be underlined and highlighted in advance.

Kremlin sources intimate that the Security Council sometimes looks "an unwieldy, not very resourceful organization akin to an academic scientific research institute, preparing rather too facile documents from which—as was the case, for example, with Russia's military doctrine—it is difficult to calculate practical tasks and, for instance, budgetary directives." The sources do not rule out that the same could happen with national security strategy, which is currently being elaborated and "whose adequacy cannot be vouched for."

Sources which, I would say, reflect the opposite side's opinion do not hide the fact that, if certain problems and situations had been passed through the Security Council and its apparatus, it would have been possible to avoid certain major blunders and miscalculations of recent times, as was the case—I am quoting the sources—with the release of the Lefortovo prisoners, or the furor that arose over the Russian military bases in the Baltic. "The decisions in that case might have been different," they told me.

Can the problem of the collaboration between these two structures, so similar in their functions but intrinsically different in their methods and the nature of their activity, be solved? I confess, I felt no confidence in my interlocutors' answers that, without radical interference from the president to clearly divide rights, duties, and functions between the Security Council and his national security adviser, spelling them out in detail, their coexistence will not continue to be marked by behind-the-scenes friction and mutual reproaches, which, whichever way you look at it, reflect on the efficiency and impact of the performance of common tasks.

An almost ideal option is probably the American set-up, in which the president's national security adviser and the National Security Council are an integral unit, with a single apparatus and combined functions.

Let us return, however, to Baturin's daily activity. Apart from everything else, this includes questions of the arms trade and, at the same time, weapons destruction laid down in international agreements and accords; questions of the development and consolidation of the production of those high technologies in which, the president's aide says, "we must in no event concede primacy, since otherwise we will be left hopelessly behind"; and problems of the defense sector.

Finally there is the elaboration of the doctrine, strategy, and concept of Russia's national security. As far as I was able to understand it, Baturin will finish the preliminary work at least by the end of the year and—it is not ruled

out—will share its results with the public, in the form of a newspaper article, for instance.

In principle Baturin does not believe that the concept should be formulated in the form of some sort of signed document, referring, sources say, to the fact that Britain gets by perfectly well without a written constitution. But the definition and recognition of what the aide calls "Russia's permanent interests," which can be outlined, agreed, and officially recorded at a closed session of the Security Council and to which future generations of Russian statesmen can refer, is essential.

What are these interests? From conversations with people who are well acquainted with the president's aide's theoretical "kitchen," two areas can be seen clearly enough: "Closely binding together Ukraine, Belorussia [Belarus], Russia, and in the remote long-term Kazakhstan,"; and second, "Russia must not leave Central Asia; otherwise serious threats to Russia's security could arise there."

These are the elements of the basis on which strategy for the next 10 to 30 years is to be elaborated, with definitions, in particular, of the methods and means of achieving set tasks, and also the doctrine of national security for the next 50 years, including intelligence, military, counterintelligence, and other doctrines.

...June 2nd was the first anniversary of Baturin's appointment as the president's adviser on legal questions. He hardly suspected then what he would be involved in by this anniversary, or that he would be left "in charge" during the president's regular vacation, since "all sorts of unpleasant things begin" precisely at such a time. These things are now, it appears, his main speciality.

Intelligence Official on Wide Range of Threats

LD0906115294 Moscow ITAR-TASS in English 1111 GMT 9 Jun 94

[By ITAR-TASS correspondent Olga Semenova]

[Text] Moscow June 9 TASS—All kinds of inventions concerning "the decisive contribution of nuclear spies, including agents from among Western nuclear scientists, to the development of nuclear weapons in this country are, to put it mildly, at variance with the historical truth," according to deputy director of the Russian external intelligence service Colonel-General Vyacheslav Trubnikov.

Trubnikov said in an exclusive interview with ITAR-TASS about the place of the intelligence service in ensuring Russia's state sovereignty and its role in a democratic state that "the development of nuclear weapons in our country was a result of the efforts of our scientists, such as Kurchatov, Khariton, Zeldovich, and many others. The atom bomb is not a simple device that could be seen in one place and then copied at home. If our science had not come up close to the understanding of the secret of the atomic nucleus, it would have been simply unable to understand and evaluate the information gleaned by our intelligence in the nuclear field".

"It is now history, and when history is recorded mistakes are often made due to deliberate omissions of some things or deliberate highlighting of other things. The intelligence service does not claim other people's achievements. It has enough of its own. The achievement of the intelligence service in this case consisted in sensing in good time the important trend in the development of science and technology which had a colossal military potential and succeeded in obtaining information which enabled us to accelerate—I repeat, accelerate—work in the development of nuclear weapons in our country," Trubnikov said.

He said the external intelligence service is playing a considerable role in ensuring Russia's security, although this role is not always made visible. He stressed that "on the whole the trends in the global development are favourable for our country, but the spectrum of threats remains quite extensive".

The general said that the Russian intelligence service can compete quite effectively with the recognised leaders of world espionage as the CIA, Mossad, and the British secret service. "We have always been in the same league and, I want to believe, will remain in it always," he said.

General Trubnikov added that "should the personnel of our competitor services find themselves in conditions similar to those in which the Russian intelligence service is finding itself now, few would be able to stand it. As regards our people, they are serving and will continue to do so".

FIS Official Discounts 'Nuclear Spying' Report

MK1006084594 Moscow NEZAVISIMAYA GAZETA in Russian 10 Jun 94 p 2

[ITAR-TASS report under the "Special Services" rubric: "Russian Intelligence Service in Top League"]

[Text] All sorts of conjectures about the decisive contribution made by "nuclear spies"—which include "agents" from among Western nuclear scientists—to the creation in our country of nuclear weapons do not correspond with the historical truth. This was stated by Colonel General Vyacheslav Trubnikov, first deputy director of the Russian Foreign Intelligence Service [FIS].

"In reality the creation of nuclear weapons in our country came as a result of the efforts of our science, of such outstanding representatives of which as Kurchatov, Khariton, Zeldovich, and many others. The atomic bomb is no simple device you can steal a look at somewhere and then copy it back home. Had not our science come close to unraveling the secrets of the nucleus, it would simply not have been able to understand and appreciate the information on the range of

nuclear problems that our intelligence service was obtaining," the general underlined.

Vyacheslav Trubnikov pointed out that the role of the Foreign Intelligence Service in assuring Russia's security is very appreciable although it is not always in the public eye. He also thinks that "the tendencies of world development are on the whole favorable for our country, while the spectrum of threats still remains rather broad." In his words, the Russian intelligence service stands up well to "competition" from such recognized leaders of world spying as the U.S. CIA, the Israeli Mosad, and the secret service of Great Britain: "We have always been in this league and, one would like to believe, will always remain in it." There he stressed: "Were the personnel of our "competition" in the sort of conditions the Russian intelligence service is at the moment, few would stand up to them. Ours carry on serving and will serve!"

Luzhkov Seen Winning Confrontation With Chubays

MK1006085594 Moscow NEZAVISIMAYA GAZETA in Russian 10 Jun 94 p 3

[Ivan Zasurskiy report in the "Russia" column: "Luzhkov Is Not Going To Give In. He Still Considers Voucher Privatization a Disaster"]

[Text] It seemed that the battle of giants has come to naught: The triumphant statement by the State Property Management Committee [Goskomimushchestvo] Press Center, filled with the bombast of struggle in the course of which a revolt has been suppressed, speaks no more about Goskomimushchestvo's going to the Prosecutor's Office. The response note by the Moscow City Hall Press Center and Yuriy Luzhkov's statement yesterday also leave the mayor sticking to his anti-Chubays positions.

Yesterday the Moscow City Hall Press Center circulated two statements by Yuriy Luzhkov, one of which was devoted to Chubays, and the other to security (in connection with the attempt on Berezovskiy's life). The statement devoted to privatization problems reads as follows: "I must calm Muscovites and those Russians who are still hoping to stop the catastrophe initiated by Mr. Chubays' foreign experts. I state officially that I not only have not stopped my struggle for a genuinely people's privatization but, in view of new facts coming to light, am going to intensify it."

The last part of the document is an apotheosis of struggle for the rights of the down-and-outs: "For these and many other reasons I declare that a departure from our principles in this situation would be treachery with respect to the Muscovites."

The Moscow mayor's sharp statement was backed up by an interview in the latest issue of ARGUMENTY I FAKTY.

Observers have considered the battle in two dimensions: As a reflection of the actual economic interests of Moscow, aimed at addressing concrete tasks, and also as the first act in Yuriy Luzhkov's election campaign for the Russian presidency.

Therefore, if we are to sum up the objective results of the multi-round battles, it becomes clear that the Moscow mayor has failed to stand up for the interests he had in mind when issuing the 1 April order. Moreover, according to sources in the presidential entourage, Luzhkov has even found himself in a somewhat weaker position with respect to the president. The Moscow mayor apparently officially had to abandon his claims to the presidency. But now Luzhkov will go to the very end, while the next Russian president will be either Boris Yeltsin himself or a person who receives power from his hands. (Scenarios for a tough political struggle and/or coups is a subject of separate conversation).

So, what has Yuriy Luzhkov won? I venture to say that politically he has made considerable gains. In fact we have witnessed the Moscow mayor's first step from the position of a regional leader to the status of a national leader concerned not only about city problems. Any division of property in the end leads to its concentration in the hands of the minority, while the majority gets rich only in the process of steady economic development. Yuriy Luzhkov opposed voucher privatization in a loud and scandalous way, combining TV appearances with interviews circulated in 6.26 million copies. His arguments are simpler and more clear-cut than the positions of many opposition leaders who have not reached a common opinion and have weak publicity. Is there any need to say how this is important to a future contender in an election campaign, especially if the Moscow mayor's newly found charisma does not prevent him from remaining the president's trusted person? Should Yeltsin recognize that Luzhkov is right, Anatoliy Chubays, at the end of privatization, will be left one to one with the vouchers and their holders.

ZAVTRA Censured for Ethics Violation

PM0906141194 Moscow ROSSIYSKAYA GAZETA in Russian 8 Jun 94 First Edition p 3

[Abridged Statement by A.B. Vengerov, chairman of the Court of Appeal for Information Disputes: "Court of Appeal for Information Disputes Under the Russian Federation President Ruling No. 15 'On the Violation of Legal and Ethical Norms in ZAVTRA Articles,' dated 2 June 1994, Moscow"]

[Text] The Court of Appeal for Information Disputes under the Russian Federation President, after examining the contents of a ZAVTRA article entitled "World Roguery" (Nos. 15-16, 1994), and having heard the expert conclusions of M.A. Melnikov and S.A. Modestov, the statement by the Russian Federation Ministry of Justice, the warning to the newspaper ZAVTRA from the Russian Federation Committee for Printed Materials [Roskompechat], the speech by S.P. Gryzunov, deputy chairman of the Russian Federation

Committee for Printed Materials, and explanations from ZAVTRA's Deputy Chief Editor V.G. Bondarenko, has established:

That the Court of Appeal has already issued a statement on articles in ZAVTRA which violate legal and ethical norms, particularly the item by I. Andronov entitled "Secrets of the Kremlin" in which the chamber noted an abuse by the ZAVTRA editorial team of the freedom of mass information, and a violation of Paragraph 4 of the Russian Federation Law "On the Mass Media." (See Court of Appeal Statement No. 1 of 4 April 1994, published in ROSSIYSKAYA GAZETA, 13 April, 1994....)

ZAVTRA's editorial team ignored the Court of Appeal's statement of 4 April 1994 and it continues the publication of materials consituting a gross violation of legal and ethical norms.

The interview with A. Zinovyev, carried under the heading "World Roguery" (Nos. 15 and 16, 1994), contains direct calls for unleashing war, the violent overthrow of constitutional order, the inflamation of social and national intolerance and hostility....

An analysis conducted by the Court of Appeal into the item "World Roguery" concludes that ZAVTRA violated a number of legal and ethical norms: "The Declaration of Human Rights and Freedoms" (Article 4), the Russian Federaion Constitution (Article 29), the Russian Federation Law "On the Mass Media" (Article 4). The application for ZAVTRA's registration is at notable variance with the actual content of many of the newspaper's items.

Considering the aforestated, and guided by Articles 4, 9, and 20 of the Statute on the Court of Appeal, the Court of Appeal has decided:

1. To recognize that the article "World Roguery" published in the newspaper ZAVTRA constitutes an abuse of the freedom of mass information: It contains calls for the physical removal of a number of state figures, advocates war, inflames social and ethnic enmity, insults the Russian Federation president, and denigrates and humiliates persons mentioned in the article, which constitutes a gross violation of Article 4 of the Russian Federation Law "On the Mass Media."

2. To take cognizance of the fact that the Russian Federation Committee for Printed Matter has submitted an official warning to ZAVTRA in respect of the article "World Roguery," while the Russian Federation General Prosecutor's Office has instigated criminal proceedings pertaining to evidence of crimes which entail liability for calls for the forcible alteration of the constitutional order and for the propaganda of war.

3. To recommend that the Russian Federation Committee for Printed Matter return to the question of adopting measures provided for by law in respect of the article by I. Andronov entitled "Secrets of the Kremlin" in the newspaper ZAVTRA (No. 11).

4. To propose that the Russian Federation Committee for Printed Matter review the correlation between the application by the newspaper's founder for its registration and the actual content of the articles in line with Article 15 of the Russian Federation Law "On the Mass Media."

[Signed] A.B. Vengerov, Chairman of the Court of Appeal.

Economic Issues

Yeltsin Lifts 'Certain Limitations' on Foreign Banks

LD1006094294 Moscow ITAR-TASS in English 0903 GMT 10 Jun 94

[By unidentified ITAR-TASS correspondent]

[Text] Moscow June 10 TASS—Russian President Boris Yeltsin signed a decree on Friday lifting certain limitations earlier imposed by him on the activities of foreign banks in Russia.

Yeltsin made the announcement at a press conference on Friday admitting that the decree would cause sharp criticisms of Russian bankers who fear foreign banking giants can swallow them up.

He did not provide any details, but said it is necessary to ensure a gradual access of foreign banks to Russia in order to stimulate the necessary competition.

It is no longer possible to tolerate the 185 per cent discount rate offered by Russian banks, according to the president, who added that the presence of foreign banks would bring the rate down.

70 Million Bank Depositors May Get Compensation

MK1006080094 Moscow NEZAVISIMAYA GAZETA in Russian 10 Jun 94 p 2

[RIA report under the "In Brief" rubric]

[Text] Moscow—An initiative group has been created in the State Duma to formulate a law on compensation of Savings Bank deposits made by the population before the freeing of prices in January 1992. Grigoriy Bondarev, a "Yabloko" faction deputy and one of those who first formed the idea for the future law, has said the possibility of compensation in stocks, enterprises, apartments, and even service facilities up for privatization, rather than in money, is being considered. Well-known jurists from the Moscow Private Law Center have been asked to draft the law. Bondarev said, however, that the 70 million affected depositors "should not celebrate

victory yet." According to him, the idea for such compensation is being worked on at the State Committee for the Management of State Property but "with no special enthusiasm."

Government Discusses Fall in Industrial Output

LD0906165094 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 9 Jun 94

[Report by correspondent Chernyshova, with recorded comments by O. Soskovets, first deputy chairman of the Russian Council of Ministers, from the 9 June government session; from the "Novosti" newscast]

[Excerpts] [Chernyshova] Russian enterprises' output between January and May this year was depressingly low. Production in real terms declined in comparison with the same period last year by 26 percent. One can only wonder what was then the general decline in production for the whole period of reforms, for example, since 1991.

[Soskovets] In some enterprises production fell by up to 80 percent, in some by 50 percent.

[Chernyshova] Out of 406 of the most important categories of products only 20 types have shown some progress. Production of the rest, which make up the other 94 percent, is badly declining by more than a third. The machine-building industry is the worst hit. Production here declined by 45 percent. Many enterprises stand still and their number increases every month. In May there were 5,500.

[Passage omitted: Some of the problems are explained by the seeming unwillingness of the Russian manufacturers to improve their products so as to successfully compete with imported goods]

[Soskovets] The positive discrimination against the imported machines does not make sense. We have somehow overlooked this important aspect of industrial relations during our reforms—that is, discipline—not only at the enterprises and in industry but in the government as well. I think the work should begin here.

Soskovets: Industry in 'Crisis'

LD0906171494 Moscow INTERFAX in English 1536 GMT 9 Jun 94

[Text] First Vice Prime Minister Oleg Soskovets believes that the word "crisis" should be prevalent while describing the current situation in Russian industry. He made this statement at a government meeting in Moscow Thursday.

Soskovets harshly criticized the leaders of some federal ministries and agencies, including the Machine-Building Committee and the Atomic Energy Ministry, for poor discipline and feeble control over the situation in specific branches. Commenting on the performance of a number of federal executive bodies, he said "We are doing our job very badly."

Soskovets said the government meeting had summed up the results of its performance in the first half of the year. "There are no outstanding success in the sphere of industrial production, an unbiased assessment is needed," he said, adding "the movement of reforms will depend on how we use the executive power we are entrusted with."

Soskovets said Russia had lost its positions on the world arms market. Soviet arms exports totalled 30 percent of the world market compared to the USA's 35 percent.

Now the situation has thoroughly changed, he said. Russia's exports amount for a mere five percent, while the U.S.A. controls 65 percent of the world arms market. "We have suffered great losses in this area, it is necessary to restore our positions gradually, step by step," Soskovets said.

Chubays Says Privatization Complete

LD0906202594 Moscow ITAR-TASS in English 1936 GMT 9 Jun 94

[Text] Moscow, June 9 (TASS)—"Privatisation in Russia has been carried through," said chairman of the Russian committee for state property, Anatoliy Chubays, an interview to the "Publicist" studio broadcast by the First Television Channel on Thursday.

According to Chubays, "the privatisation has been carried out despite numerous experts' forecasts and stormy political developments around it."

At the same time, Chubays believes that as far as the state property committee is concerned, and for him personally, the goal of privatisation goes far beyond the framework of privatisation itself. He described privatisation as a very deep process "which modifies processes taking place in an economic organism at a molecular level."

According to Chubays, a total of 70 percent of Russian enterprises will be auctioned for vouchers, 20 percent for money and 10 percent will not be subject to privatisation at all. According to Chubays, enterprises excluded from monetary and voucher privatisation include those connected with the production of nuclear splitting materials, cipher equipment and special kinds of armaments.

Bill on Supporting Small Businesses Approved

LD0906135094 Moscow ITAR-TASS in English 1256 GMT 9 Jun 94

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow June 9 TASS—The bill "on the state support of small businesses in the Russian Federation,"

which was discussed by the Russian Government today ahead of its consideration in the parliament, is designed to give more freedom to the Russian people in the use of their entrepreneurial abilities. This was said by Chairman of the Russian Anti-Monopoly Committee Leonid Bochin during the government meeting on Wednesday.

The number of employees of a small business in the industry and construction was fixed at 200 people, in agriculture and other branches of production, wholesale trading, science and scientific services at 50, and in retail trading and the non-production sphere at 15.

Natural persons engaged in entrepreneurial activity without obtaining the status of a legal person are also regarded as small businesses.

Leonid Bochin said the state support of small businesses will take the form of a simplified procedure for registering and licencing their activity, support for their foreign economic activity, the organisation of training and retraining, as well as the provision of easy access to financial, material, technical and information resources.

The new law stipulates that no state support will be extended to small businesses in which one or several legal persons hold shares of the authorised capital in excess of 25 percent. Annually at least 0.5 percent of the total spending from the federal, regional and local budgets will be alloted to support small businesses. Taxes will be levied on small businesses in the five first years of their activity, but some tax breaks are envisioned.

The government approved the bill on the whole and decided to send it to the State Duma after putting final touches to it, taking into account critical remarks and proposals made during the discussion.

Yeltsin Signs Edicts on Housing, Construction

LD1006115294 Moscow INTERFAX in English 1040 GMT 10 Jun 94

[Text] In Friday's opening address to a national conference on housing policies under free-market relations Russia's First Vice Premier Oleg Soskovets said that in a bid to stabilize the sphere of housing construction with the help of private investment, President Yeltsin has signed a packet of new decrees. The conference opened in the State Palace of the Moscow Kremlin. President Yeltsin is attending its sittings.

Soskovets said Yeltsin signed a decree on housing loans, a decree on construction certificates and a decree on the sale of, and commercial investment in, unfinished construction projects.

According to Soskovets, the national budget revenue in the first five months of 1994 fell 5.2 trillion rubles short of its target. He felt economic recovery depended, in great measure, on investment in housing construction. He said the government must offer private entrepreneurs reliable, including state, guarantees for investment in that field.

A second packet of legislation on more economic reform is in the making and legal moves are being made to reduce, as of 1996, basic, including profit and value added, taxes by 10 to 20 percent, Soskovets said. The government, he said, also intends to hold tenders among those wishing to sell products to the state and intends to sell part of unfinished construction projects to private entrepreneurs in a bid to lure more private investment into the industry.

Favorable Balance in Jan-May Foreign Trade Figures

LD0906193994 Moscow ITAR-TASS in English 1922 GMT 9 Jun 94

[By BUSINESS TASS]

[Text] Moscow June 9—The favorable balance in Russia's foreign trade continued to grow in January-May this year and amounts now to 9.7 billion U.S. dollars, a spokesman for the ministry of foreign trade relations of the Russian Federation told BUSINESS-TASS on Thursday.

The total volume of export in five months of 1994 was 16.8 billion U.S. dollars which is 9 percent higher than at the similar period in 1993.

Export to industrialized countries also continued to increase and totaled 10.3 billion U.S. dollars, 8.6 percent more as compared with the similar period of the past year. Export to developing countries was 2.2 billion U.S. dollars, to the former Comecon countries—2.7 billion U.S. dollars and to other countries—1.6 billion U.S. dollars.

The trend towards the growth in export of main raw materials remained. For instance, oil export in five months of 1994 rose 10 percent, oil products—17 percent and natural gas—14 percent.

Deliveries of fish, iron ore, ammonia, methanol, fertilizers, timber, cast iron and non-ferrous metals exceeded the last year's level. Aluminium export almost doubled as compared with 1993.

Russia's import in January-May of 1994 amounted to 7.1 billion U.S. dollars which is 28 percent less than at the similar period of the last year.

Especially sharp fall—44 percent was registered in the volume of purchases in developing countries. Import from industrialized countries was 4.7 billion U.S. dollars, 18 percent down as compared with the first five months of 1993. Grain import reduced by 94 percent and only 411,000 tons were imported in five months.

Import deliveries of flour and macaroni reduced 75-90 percent. Foreign purchases of vegetable oil, coffee, tea,

rubber, sugar and clothes fell 25-50 percent as compared with five months of 1993. At the same time import of butter, dry milk, meat, including poultry somewhat grew.

Import of aluminium raw materials, alloy steel, steel pipes, furniture and some other commodities remained above the last year's level.

Possible Tripling in Produce Prices Feared

MK0906124694 Moscow SEGODNYA in Russian 9 Jun 94 p 2

[Unattributed report: "Agricultural Products Purchase Prices May Rise"]

[Text] Purchase prices for 1994 agricultural produce in the Russian Federation may almost triple, Ministry of Agriculture price policy board experts believe. Calculated on the basis of current market prices and on the expected level of inflation, purchase prices will amount to: about 220,000 rubles [R] per one tonne of wheat; R350,000 per one tonne of sunflower; R70,000 per one tonne of sugar beet; and R200,000 per one tonne of potatoes. According to the experts' count, these prices will ensure profitability of wheat and sunflower (121 and 125 percent correspondingly). Potatoes (with profitability at 24 percent) and sugar beet (at 8 percent) are proving to be unprofitable. The document underlines that prices of agricultural produce will be determined by those who sell and buy it, and their regulation by state organs is not permitted.

Military Issues

Grachev Gives Overview of Military Doctrine

PM0906164194 Moscow NEZAVISIMAYA GAZETA in Russian 9 June 94 pp 1, 5

[Article by Army General Pavel Grachev, Russian Federation minister of defense, under the "At First Hand" rubric: "Military Doctrine and Russia's Security. Nuclear Weapons Are a Means of Deterring Any Aggression Against the Russian Federation"]

[Text] From the moment of their adoption, the "Basic Provisions of the Russian Federation Military Doctrine" have been actively discussed in various political circles and on the pages of the Russian and world press.

Given this constant interest, I deem it expedient to explain to the public in more detail the essence of the most important doctrinal provisions and the characteristics of our state's contemporary military-political and geostrategic position, which determine the fundamental approaches to ensuring Russia's national security.

As we know, following the collapse of the Soviet Union and the formation of a number of independent states on its territory, Russia's state-legal status has changed radically. It has become an autonomous subject of international relations, the USSR's successor as permanent member of the UN Security Council, and one of the five world nuclear powers.

The cardinal changes in the geopolitical and military strategic situation in the world, the new nature and system of international relations, and the creation of Russian Armed Forces have put before Russia the task of elaborating and adopting a fundamentally new national military doctrine.

On the one hand, the end of the confrontation which had proceeded under the sign of the struggle between two systems, with its projection onto all aspects of international life, has not only reduced the threat of global war but has laid down the preconditions for establishing constructive cooperation between states which were previously confronting each other and for a fundamentally new relationship between Russia and the world around it.

However, it must be clearly understood that these new relations do not by any means rule out the emergence of differences and contradictions, which at times are quite sharp.

The main thing, in our view, is that they should be resolved and settled within the framework of normal collaboration between states, with the specific nature of national interests taken into account.

On the other hand, attention must be paid to the relatively high level of tension in individual regions of the world. The probability of local and regional wars continues to exist, as well as of armed conflicts within individual states on the basis of national-ethnic, territorial, religious, and other contradictions. A particularly dangerous challenge to regional and international stability is the presented by the growth of aggressive nationalism in various regions of the world.

From the very beginning of work on the military doctrine it was absolutely clear that what had to be done was not simply to amplify military-doctrinal views which existed in the Soviet period but to elaborate fundamentally new stances and approaches.

Essentially for the first time we stated that we would protect not the ideology but the vitally important interests of the country, which do not affect the security of other states in any way and are ensured within the framework of mutually advantageous interstate relations based on equal rights.

The cornerstone of our military doctrine is the provision that Russia does not regard any state as its enemy. This has brought about the need for a radical review of approaches to the entire spectrum of problems of military-organizational development.

During the elaboration of the doctrine's provisions and the determination of the Armed Forces' tasks the country's real possibilities at the current phase of its development were taken into account to the maximum degree, as well as Russia's international commitments to the reduction of nuclear and conventional weapons and its participation in peacekeeping operations.

All this taken together has exerted a considerable influence on the formation of Russian military doctrine.

In accordance with concepts which exist in our country, the military doctrine represents **a system of views, officially adopted in the state, on wars, armed conflicts, their prevention, military-organizational development, the preparation of the country for defense, the building and training of the Armed Forces and other Russian Federation troops, and the procedure and methods for using them to protect the vitally important interests of the Russian Federation.**

Naturally, the listed questions are reflected in the country's Constitution, laws, decisions, and decrees of the top organs of state power and are fleshed out in concepts and plans for the organizational development of the Armed Forces, regulations, manuals, and other documents.

The "Basic Provisions of the Russian Federation Military Doctrine," which are of a most general and conceptual nature, have made it possible to unite all these legislative acts and departmental documents in a single whole, a kind of "military constitution." For the first time in our country's history, this document was thoroughly examined at a number of sittings of the Russian Federation Security Council and ratified by Russian President B.N. Yeltsin. Thus the "Basic Provisions of Military Doctrine" are an official normative-legal document, a constituent component of the Concept of Russian Federation Security, and represent a **"document of the transitional period—the period of the formation of Russian statehood, the implementation of democratic reforms, and the formation of a new system of international relations."** In other words, the adopted Basic Provisions of Military Doctrine constitute not dogma but a document open to relevant revision as the military-political situation develops. It is intended to ensure the implementation of a minimum of two basic functions.

The main function is normative. The Basic Provisions of Military Doctrine are very close to and in a number of spheres coincide with the category of juridical law, since they are binding on all organs of state power and administration which take part in ensuring the country's defense capability. The doctrinal provisions determine the state's tasks in the sphere of ensuring military security, the aims and tasks of using the Armed Forces, and other questions. Apart from that, they aim the country's economy, particularly its defense sectors, toward providing for the needs of the Armed Forces and other troops and determine the priority spheres for developing science and technology in the interests of defense, the preparation of the population and the state as a whole to repel aggression, and also a number of other measures relating to this sphere.

Another function, the informative function, is also highly significant. The military doctrine enables the peoples of our country and the world community to correctly understand Russia's aims and tasks in the sphere of the struggle to avert possible armed conflicts and wars and in preparations for repulsing possible aggression against Russia and protecting its vital interests.

Structurally speaking, the Basic Provisions of Military Doctrine are made up of a preface, political, military, military-technical, and economic sections, and also a concluding section.

The political principles of the military doctrine reflect two interconnected tasks—the prevention of war, and readiness to repulse an aggressor.

Russia rejects any war, use of military force, or threat of force as means of achieving political, economic, and other aims. It advocates the adoption of commitments by all states not to use military force first and adheres to the principles of the inviolability of state borders and noninterference in the internal affairs of other states. All questions under dispute should be resolved only by political and diplomatic means.

As I have already noted, the political principles of the military doctrine indicate for the first time that the Russian Federation **sees no state as its enemy.** I will say frankly that for us the professional military, who have gotten used to having the most specific of guidelines, this turn of events has created a lot of additional difficulties. Primarily we had to retune ourselves psychologically, but there were also difficulties of what I would call a technical nature. This primarily concerns questions of strategic planning, the instruction and training of cadres, and, finally, the determination of the defense budget. Today we are building our defense policy, gearing ourselves to taking existing and potential threats into account. These are expounded fairly fully in the doctrine. While Russia has no enemies, like any state, it has its vitally important interests. We are capable and prepared to protect them.

Now, something about **nuclear weapons.** This section, as might have been expected, has generated heightened interest and the greatest number of opinions.

It must be noted that one of the paradoxes of the nuclear age is the fact that nuclear weapons, accumulated in the arsenals of the opposing sides in the Cold War, have transferred to a new form of existence **as a political instrument of mutual deterrence against the unleashing of large-scale war.** The inevitability of a world **catastrophe** occurring if the accumulated nuclear arsenals are put into operation is universally recognized. But imposing certain rules in the game of nuclear weapons on each other, like their selective, group, or demonstrational use,

has proved to be an insoluble task for political strategies. **Nuclear deterrence itself is essentially based on the scale of uncertainty concerning a nuclear response to aggression.**

Following the end of the Cold War, when significant changes occurred in the disposition of geopolitical forces in the world, particularly in the Eurasian area, the policy of nuclear deterrence has been gaining new substance for Russia, and indeed for the United States and NATO.

The military confrontation between East and West, vastly inflated by the arsenals of strategic and operational-tactical nuclear weapons that were among those formed in the course of the Cold War years, has objectively been cancelled out. With the destruction of the bipolar geostrategic structure of the world, the question arose for Russia on the one hand and the United States and NATO on the other hand of transforming their own nuclear concepts and strategies.

Furthermore, in the present conditions the problem of preventing the proliferation of nuclear weapons and other types of mass destruction weapons has also arisen sharply. At present, apart from the five nuclear states which have officially enshrined their status as possessors of nuclear weapons in the Nonproliferation Treaty, there are somewhere in the region of 10 countries in the world which are on the threshold of producing them. As a rule, they are countries which are located in regions with an unstable military-political climate. The advance of these countries toward nuclear weapons is accompanied by the concentration of their efforts on the acquisition of rocket and aviation technologies with the aim of creating delivery vehicles. If this process is not stopped, then soon we may see real rather than potential possessors of nuclear arsenals who are seriously impressive by regional yardsticks.

In this connection I consider it necessary to stress that the countries of the unpublicized "nuclear club" form a fairly dense half-circle, embracing, from the south, the geostrategic space occupied by Russia and its closest neighbors, creating a vague zone of "nuclear risk." That is why Russia's policy of nuclear deterrence must fully meet this circumstance.

Furthermore, it is necessary to bear in mind that with the contemporary development of means of armed struggle, including precision weapons, even with the use of conventional weapons our nuclear potential could be reduced in warfare to a level whereby it could not carry out its deterrent role.

This was reflected in the section of the doctrine devoted to nuclear weapons, where it says that **"the aim of the Russian Federation's policy in the sphere of nuclear weapons is to eliminate the danger of a nuclear war by deterrence against the unleashing of aggression against the Russian Federation and its allies."**

In full accordance with the aforementioned aim, we do not view nuclear weapons as a means of conducting military actions, but as a means of deterrence against the unleashing of aggression. Russia has not resolved to confirm the commitment on non-first use of nuclear weapons which the Soviet Union had declared in the past. This commitment contradicts the task of deterrence. I would like to stress once again that a rejection of no-first use of nuclear weapons in no way means a switch to the concept of the preemptive use of nuclear weapons but demonstrates a resolve to avert the unleashing of a large-scale war against the Russian Federation and its allies. I quote: **"The Russian Federation will not use its Armed Forces and other troops against any state except for individual or collective self-defense if an armed attack is carried out against the Russian Federation, its citizens, territory, Armed Forces, or other troops, or its allies." That is why there can be no question of any first use of a preemptive nuclear strike, since the strategic nuclear forces are a constituent component of the Armed Forces.**

The military doctrine also contains the following provisions:

"The Russian Federation will not use its nuclear weapons against any state participating in the Treaty on the Nonproliferation of Nuclear Weapons dated 1 July 1968 which does not possess nuclear weapons except in the following cases:

a) an armed attack by that state, linked by an alliance agreement with a state possessing nuclear weapons, against the Russian Federation, its territory, Armed Forces, and other troops, or its allies;

b) joint actions by such a state with a state possessing nuclear weapons to implement or support an invasion or an armed attack on the Russian Federation, its territory, Armed Forces, and other troops or allies."

What do we have in mind here? First of all, when adopting a decision to begin aggression against Russia it is necessary for any state, including a non-nuclear state, to think about the possible consequences of this step.

Second, it is necessary to restrict to the maximum degree the possibility of an expansion in the scale of aggression against Russia, including doing so by means of the participation of nonnuclear states in it.

References to states possessing nuclear weapons are included in both cases because at present and in the foreseeable future there is not a single nonnuclear state in the world whose autonomous aggression would constitute a serious danger to Russia.

In a number of countries there are concerns that Russia may make first use of nuclear weapons even in a very restricted conflict. This is not true! Russia is categorically opposed to any use, even the restricted use, of nuclear weapons in warfare even by one of the sides, which **"may provoke the mass use of nuclear weapons and cause catastrophic consequences." Furthermore, the document stresses that Russia "aspires to a reduction in nuclear forces to a minimum level, which would guarantee**

the prevention of a large-scale war and the maintenance of strategic stability and, in the future, to the complete elimination of nuclear weapons." From the political viewpoint, the principle of the use of nuclear weapons expounded in the document places Russia on an equal footing with other nuclear countries and will serve as an incentive for the further reduction and nonproliferation of nuclear weapons.

In respect of other types of mass destruction weapons, Russia's policy remains unchanged and is aimed at promoting the full implementation of the Convention Prohibiting Chemical and Biological Weapons as well as at preventing the production of new types of mass destruction weapons.

In accordance with the doctrine, the Russian Federation's military security is ensured by the totality of the means at its disposal. And although, as I have already said above, priority is given to political-diplomatic and other peaceful methods, the Russian Federation deems it necessary to possess Armed Forces and deems it lawful to use them for the protection of the Russian Federation's sovereignty, territorial integrity, and other vitally important interests in the event of aggression being committed against it or its allies. In the present conditions, in our opinion, political efforts can be effective only if they are supported by a military might that is sufficient for defense.

According to our assessment, there is practically no direct military threat today. But a military danger remains. This is confirmed by an analysis of the existing and potential sources of it and reasons for it.

The basic spheres and principles of ensuring the Russian Federation's military security are determined on the basis of the given analysis.

They are:

—the development of a system of bilateral and multilateral agreements between states, and Russia's membership in collective security structures, or the establishment of cooperation relations with such structures;

—the improvement of existing international mechanisms for the monitoring of the proliferation of mass destruction weapons and delivery vehicles and the creation of effective new mechanisms;

—the creation of conditions for the permanent action of the Treaty on the Nonproliferation of Nuclear Weapons and also the adoption of measures to expand the number of participants in that treaty;

—the expansion of confidence-building measures in the military sphere, including the exchange of information of a military nature on a mutual basis and the coordination of military doctrines and plans for military organizational development with allies and partners.

Special attention is being paid to implementing the Treaty on Conventional Armed Forces in Europe dated 19 November 1990 and giving assistance to the inclusion of Asian states and states in other regions in the world in the process of restricting and reducing armed forces and weapons.

I particularly want to talk about the latter problem. Let me remind you that the CFE Treaty was formulated in conditions of inflexible confrontation between two systems. That is why provisions regarding regional partition and flank restrictions on weapons and hardware were incorporated in it.

The main idea of the treaty was geared toward reducing the dangerous concentration of weapons along the line of contact between the Warsaw Pact and NATO groupings. However, with the breakup of the USSR the situation changed dramatically owing to the distribution of weapons levels stipulated by the treaty among the successor states. Now the terms of the treaty dealing with flank restrictions have not only lost their political and military significance but have in fact taken on a discriminatory character with respect to Russia. For example, they directly affect the state's security interests in the south.

Instability in the Caucasus and neighboring regions and the growth of separatism and extremism necessitate a significant Russian military presence in the North Caucasus region in order to prevent and deter potential conflicts and insure against destabilization of the situation on the European continent as a whole. At the same time Russia needs flank restrictions in order to concentrate the bulk of its weapons and military hardware along an "East-West" line, as during the Cold War and the confrontation between the two blocs.

Russia's proposals to resolve the problems of flank restrictions do not prejudice the security of any European state, and they are in keeping with the treaty principle of equal rights and responsibilities for all signatories.

I believe that Russia is entitled to expect a different attitude to Paragraph 5 of the CFE Treaty. However, the lack of a solution to the problem of flank restrictions can be viewed as evidence that by no means everyone has yet jettisoned the bloc-style thinking of the Cold War era.

Russia believes that the main principles for resolving its military security problems are the maintenance of stability in the regions adjoining its borders and compliance with international commitments. At the same time the doctrine indicates that Russia's security should be protected without prejudice to other countries' security or the security system as a whole.

Regarding the matter of maintaining international peace and security and preventing wars and armed conflicts, the Russian Federation views as partners all states whose policies do not prejudice its interests or contradict the UN Charter. A priority for us is to establish cooperation within the CIS—cooperation with its members in

resolving problems of collective defense and security and coordinating military policy and defense building.

At the present time we are formulating a blueprint for collective security within the CIS framework. The basis for this is the Collective Security Treaty. It is becoming increasingly evident that no state in the Commonwealth can develop normally in various spheres without close integration. And there is no sense in looking for the notorious "hand of Moscow" or a new "imperialist thinking" on Russia's part. This is an objective assessment of present realities. We favor an equal pooling of efforts by all CIS member states in order to resolve problems that arise.

On a regional level, Russia is implementing cooperation with CSCE member countries and other states and military-political structures in adjacent regions which have an existing or nascent collective security system. But here too there is a major peculiarity. Russia is not just a European but also an Asian state. Consequently, in order to protect our security and vital interests we cannot retire into Europe alone; we must make efforts to establish collective security systems in other regions too, including the Asia-Pacific region.

On the global scale, Russia cooperates with all UN member states, primarily within the framework of the UN Security Council, on the basis of the principles and norms of international law.

The doctrine also confirms that Russia is carrying out its international commitments as regards providing military assistance to allied countries and participating in peacekeeping operations. The Russian Federation believes that implementing the actions of the UN Security Council and other collective security organs with regard to maintaining or restoring international peace is an important task. It is in Russia's interests that armed conflicts which flare up in the world should be averted by political means or halted at the earliest possible stage of development. Here it is apposite to note that we are keen to formulate a contractual and legal basis for relations with NATO in the spheres of averting crises and peacekeeping, primarily with regard to the problem of adopting coordinated decisions to use peacekeeping forces, and also regarding other aspects of practical military cooperation with the alliance.

And now to the actual military side of the doctrine. At the present time and for the foreseeable future, the likelihood of a nuclear war or conventional world war breaking out has been significantly reduced. But the possibility of armed conflicts and local or regional wars flaring up not only remains but is unfortunately growing. Under certain circumstances such conflicts could escalate into a large-scale (world) war.

The military doctrine therefore defines it as the main objective of the use of the Russian Federation's Armed Forces in armed conflicts and local wars to rapidly localize a source of tension and stop hostilities at the earliest possible stage in the interests of creating prerequisites for settling a conflict by peaceful means in line with Russia's interests.

We are particularly concerned by the continuing possibility that wars waged merely with conventional weapons will escalate into wars where nuclear weapons might be used. Factors which could exacerbate this danger are first and foremost premeditated actions by an aggressor designed to destroy or disrupt the functioning of strategic nuclear forces, missile attack early warning systems, nuclear power industry installations, and nuclear and chemical facilities. Apart from the strategic significance, the destruction of such targets could have irreparable environmental consequences. This could mean not one but hundreds or thousands more Chernobyls.

The tasks of the Armed Forces and other Russian Federation forces are set out in the fundamental principles of the doctrine. It is important to note at this point that alongside traditional tasks such as participation in averting wars and armed conflicts, deterring potential aggressors from starting wars, and repulsing aggressors, for the first time the document formulates a number of new tasks.

These are, first and foremost, carrying out peacekeeping operations in line with decisions by the UN Security Council and other collective security organs, or under other international commitments if these do not contradict the interests of the Russian Federation.

Responsibility for future peace and the success of the economic and political reforms that have been initiated is prompting the Russian Federation to step up its participation in the process of settling crisis situations. The political need for this aspect of Russia's activity stems primarily from its interest in developing into a sovereign, independent, democratic state. Russia also recognizes its own special responsibility for ensuring peace and security, imposed on it by its permanent membership of the UN Security Council. Russia fully endorses and supports the Security Council recommendation that all states should view their participation in international operations designed to maintain peace as an element of their foreign and national security policy.

In accordance with this, the main objective of Russia's peacekeeping activity is to protect its national security interests through encouraging the establishment and maintenance of peace and stability both on the planet as a whole and in various regions.

In realizing this objective, Russia firmly adheres to the generally accepted norms and principles of international law as well as the specific norms and rules for carrying out peacekeeping activity. The latter category includes:

—matching the form and content of peacekeeping steps to the situation to be resolved;

—giving priority to political over military ways and means of settling a situation;

—strictly observing and protecting human rights;

—using military contingents of peacemaking forces only with the consent of the opposing sides and with the approval of the international community.

In the context of the said norms and principles the leading areas of the Russian Federation's peacemaking activity are:

—mediating in settling crisis situations and preventing the escalation of conflicts;

—influencing the conflicting sides by diplomatic means above all but also, in extraordinary circumstances, by military means with a view to ensuring the fair and peaceful resolution of disputed issues;

—taking measures to preserve peace by disengaging the conflicting sides by using military contingents of the Russian Federation Armed Forces operating under UN auspices or sent into the crisis zone with the consent of the conflicting sides within the framework of the Collective Security Treaty;

—determining and supporting structures which seek to strengthen peace and to prevent the emergence or the continuation of a conflict.

Thus it is possible to maintain that there is nothing in Russia's peacemaking activity or in the tasks entrusted to its Armed Forces that runs counter to the fundamental, universally recognized norms and principles of international relations.

All this confirms once again Russia's desire to be a full and equal member of the world community in the resolution of international peacekeeping questions.

The second fundamentally new task for us is to assist internal affairs organs and internal troops of the Russian Federation Ministry of Internal Affairs in localizing and blocking regions of conflict, ending armed clashes, and disengaging opposing sides and also to defend strategically important installations according to the procedure laid down in existing legislation.

The possibility of fulfilling such tasks is provided for in the legislation of many countries. It is not a question of the Armed Forces' assuming any special internal functions but of the possibility of additionally involving forces and equipment in halting bloodshed. It must be realized here that it is just as legitimate to come between, let us say, Ossetians and Ingush who have taken up arms as between Serbs and Muslims in Bosnia.

What is new is the provision that **"the security interests of the Russian Federation and other CIS states might require the stationing of troops (forces) and means outside the territory of the Russian Federation".**

This provision has elicited a highly ambivalent response abroad, particularly in certain "near" countries and in East Europe. Such a reaction, however, is, rather, nothing but an attempt at political speculation. Because the same paragraph unequivocally states that **"the conditions for such stationing and manning are defined in the appropriate international legal documents".** In other words, these questions are in full accordance with the universally recognized norms of international law.

The need for military bases outside Russia's territory is dictated, above all, by the interests of maintaining stability in individual regions. Their deployment is initiated primarily by those states that are in need of additional stability factors.

As regards military installations, the need for these outside Russian territory is determined in some cases by their purpose (for example, missile attack early warning system radar stations) and in other cases by their technical uniqueness and by the impossibility of creating a replacement of equal worth on Russian territory in the very short term.

In all cases military bases and installations are deployed outside Russia by mutual agreement between the sides.

Here I would like to dwell on the thesis, which is being greatly exaggerated by certain people, that **Russia is supposedly ready to interfere in its neighbors' internal affairs.** I will cite from the doctrine: **"The Russian Federation abides by the principles of the peaceful settlement of international disputes, respect for a state's sovereignty and territorial integrity, noninterference in its internal affairs, inviolability of state borders, and other universally recognized principles of international law."** This is set forth in the military doctrine's political fundamentals, which take priority over its other constituent parts.

But the military doctrine's **military part** proper is the basis for the military building of Russia as a whole, the elaboration of the concept of building the Armed Forces, the strategic planning of their use, and the planning of the use and organization of cooperation among other troops in the interests of ensuring security.

The chief aim in building the Russian Federation Armed Forces is to create and develop troops (forces) capable of ensuring the defense of the country's independence, sovereignty, and territorial integrity, the security of citizens, and other vital interests of society and the state in keeping with the military-political and strategic situation in the world and with the Russian Federation's actual potential.

The Basic Provisions record the principles of building the Armed Forces. I will venture to draw attention to just a few of them:

—organs of military management and officials are under the control of the top organs of state power and the Russian Federation Council of Ministers-Government;

—general civil political rights and freedoms are observed and social protection is provided for servicemen in accordance with the specific nature of military service;

—the organizational structure, effective combat strength, and numerical strength of troops (forces) correspond to the tasks entrusted to them and to the legislation, international commitments, and economic potential of the Russian Federation;

—regard is paid to the country's geopolitical and geostrategic position;

—Russian and world experience of military building are utilized.

These basic principles reflect modern conditions and determine the thrust of the building of Russia's Armed Forces.

The building and development of the Russian Federation Armed Forces are conducted in accordance with the concepts of their building according to coordinated and concerted programs and plans. At the same time the doctrine defines for the Russian Federation Armed Forces the following main tasks for the period through the year 2000:

through 1996:

—the creation of groupings of troops (forces) on the territory of the Russian Federation in accordance with their purpose and tasks;

—the improvement of the troops' branch structure;

—the completion of the withdrawal of the troops stationed outside Russia to its territory;

—the continuation of the switch to a mixed system of manning which combines voluntary service—under contract—with service based on the drafting of citizens for military service in accordance with the principle of extraterritoriality [voyennaya sluzhba po eksterritorialnomu];

—the reduction of the Armed Forces' numerical strength to the prescribed level.

During the period 1996-2000:

—the completion of the reorganization of the Armed Forces' structure, the switch to a mixed system of manning, and the creation of groupings of troops (forces) and the military infrastructure on the Russian Federation's territory.

It cannot be ruled out that these tasks and their number and timing will be corrected in accordance with the actual development of the situation in the country and in the world.

The military-technical and economic fundamentals of the military doctrine set forth the aims and tasks of military-technical support for the Russian Federation's military security. They formulate the main areas of development of the country's defense industry potential and also of military-technical cooperation with foreign countries.

The chief aim of military-technical support for the Russian Federation's military security is the timely equipping of the Armed Forces and other troops of the Russian Federation and their material provision with efficient arms systems, military and special hardware, and property in quantities necessary and sufficient for the guaranteed defense of the vital interests of society and the state.

At the same time the doctrine defines for the first time that the needs of the Armed Forces and other troops for armament, military hardware, and property will be met with due regard for the country's scientific, technical, and economic potential.

A few words about military-technical cooperation with foreign countries.

Whereas military-technical cooperation in the former Soviet Union was aimed at supporting welcome regimes and, as is known, was more ideological in nature, today Russia regards it as, above all, a constituent part of the balanced support for its own economic interests. Therefore continued trade in arms and military hardware will be one of the elements of activity in this sphere. But, at the same time, what is new is the emergence in the military doctrine, as one of the basic principles of Russia's policy, of the following: **"The inadmissibility of deliveries of arms and military hardware which might exacerbate a crisis situation, undermine regional stability, or violate embargoes or other corresponding international accords to which the Russian Federation is a party."**

In addition to sales of weapons, it is also planned to expand contacts with regard to training foreign servicemen, above all from CIS countries, in Russian educational institutions.

The final section of the "Basic Provisions of Military Doctrine" states that the Russian Federation guarantees the fulfillment of the provisions of this document. At the same time it will strictly abide by the UN Charter and by universally recognized international legal norms and principles.

This is a brief resume of the crux of the main doctrinal provisions aimed at ensuring Russia's security and the defense of its vital interests.

Like the whole world, Russia is now going through an extremely difficult and crucial historical period. It is a period of the creation of a new world order. To all appearances, its character will predetermine the destiny of mankind in all countries and peoples for many decades. It is in precisely this world-historical context that the search must be made for the role and place of the

Russian state in the still-evolving and largely contradictory and impermanent geopolitical balance of forces and interests.

Comment on Duma Vote on Defense Expenditures

Grachev Disappointed With Military Budget

LD0906161894 Moscow ITAR-TASS World Service in Russian 1531 GMT 9 Jun 94

[By ITAR-TASS correspondent Mikhail Shevtsov]

[Text] Yerevan, 9 Jun—Russian Defense Minister Pavel Grachev, in the Caucasus region on a working visit, has described the vote held on [the budget] on Wednesday by the Russian State Duma as sad.

This budget, in his words, can only guarantee the payment of the wages and salaries of military servicemen and civilians employed by the military establishment. He expressed hope that the Army would get some extrabudgetary funding. If we do not get additional extra budgetary funds, then there can be no talk of ordering new equipment or arms, Pavel Grachev said.

He also said that problems would arise with the funding of scientific research and design work. This budget will have a negative effect on the future of Russia's armed forces, Pavel Grachev said.

Spokesman: Defense Budget To Be Revised

LD0906141594 Moscow ITAR-TASS World Service in Russian 1350 GMT 9 Jun 94

[By ITAR-TASS correspondent Anatoliy Yurkin]

[Text] Moscow, 9 Jun—Russia's military budget is to be revised, Major General Vladimir Osadchiy, a high-ranking spokesman of the Russian Defense Ministry, told Itar-Tass today.

According to him, the 40.6 trillion rubles allocated for military spending by the State Duma represents a threat to the national security of the armed forces. "The defense budget will not find support in the upper chamber of parliament, and discussion of this pressing problem will be continued," Major General Vladimir Osadchiy noted. In so doing, he cited public remarks made on this issue by Vladimir Shumeyko and the statement by Petr Shurshov, chairman of the Federation Council security and defense committee, who said the upper chamber would not approve a military budget of less than 55 trillion rubles.

Mass Rallies Organized Against Cutbacks

LD0906190194 Moscow INTERFAX in English 1741 GMT 9 Jun 94

[Text] Mass rallies organized by the association of defense workers' unions were held in a number of Russia's cities in protest at the destruction of the defense industry.

The chairman of the association's central committee, Sergey Shuklin, told Interfax that only representatives of the aviation industry had failed to take part in the rallies.

Shuklin said a number of St. Petersburg enterprises kept their sirens on and held shop-floor meetings. Their workers also picketed the administrative building. Similar actions were also held in Novosibirsk, Barnaul, Kirov, Perm and Moscow.

In particular, defense workers demanded their salaries be paid, jobs preserved, a mechanism to reconcile mutual debts be set up and state control over fuel prices established.

Soskovets Calls For Restoration of Weapons Sales

LD0906165294 Moscow INTERFAX in English 1522 GMT 9 Jun 94

[From the "Presidential Bulletin" feature: Nikolai Zherebtsov, edited by Vladimir Shishlin]

[Text] At the government's sitting Thursday first Vice Premier Oleg Soskovets spoke in favor of gradual restoration of Russia's positions on the world arms market.

"We have lost too much in this sphere and we must restore our positions step by step," he underlined. Soskovets reminded that in the time of the USSR the Soviet arms export was 30 percent of the world one and the share of the United States was 35 percent. The situation has radically changed now. As of today, the share of the Russian Federation in arms export is five percent and the United States controls almost 35 percent of the world market.

Addressing the sitting of the Cabinet, Soskovets was critical of several leaders of federal ministries and departments due to a low executive discipline and weak control over the situation in some concrete branches of industry. In particular, the question concerns the Russian Federation committee on Machine- Building and Atomic Energy Ministry.

Arms Sales on World Market May Reach $30 Billion

LD1006101294 Moscow ITAR-TASS in English 0851 GMT 10 Jun 94

[By ITAR-TASS correspondent Sergey Ostanin]

[Text] Moscow June 10 TASS—Russia is developing new regions of the world market of arms. Brazil and Malaysia began to import Russian arms. Russia signed agreements with them in early June. The Russian military-industrial complex is able to restore its prestige of a reliable exporter of arms and military equipment, ITAR-TASS was told in the main agency for international cooperation of the Russian Defence Ministry.

In the 70's-80's, the USSR ranked first in the world for the sale of conventional armaments. The peak of the

Soviet export of arms was reached in 1987 when armaments worth 22.6 billion dollars were sold by the USSR. The USSR then accounted for 38 percent of world trade in arms.

According to foreign sources, Russia's share now amounts to 17 percent. From 1990 Russia reduced arms export to almost one-fifth of the volume, yielding the lead to the United States which now controls almost 60 percent of the world export of arms.

Russia's positions weakened in markets of Eastern Europe it once dominated. East European countries now consider purchasing NATO armaments. Russia's arms export to Nicaragua, Cuba, Laos and Vietnam petered out. Joining United Nations sanction banning arms sales to troubled areas, Russia discontinued the export of arms to a dozen countries.

Russia now sells arms to some 50 countries. According to military experts, the Russian military-industrial complex can sell up to 30 billion dollars worth of arms a year, earning 10-12 billion dollars on new armaments.

Russia began to sell arms to Brazil from June 3. Under the contract, Russia is to deliver to Brazil before the end of the year a consignment of antiaircraft missile complexes "Igla" with 110 ground-to-air missiles. These missiles are regarded in Brazil to be the cheapest missiles in the world market of arms. They have proved their effectiveness.

The possibility of buying other military equipment from Russia, including armoured carriers, is considered in Brazil. The contract for Brazil's purchases of "Igla" complexes was signed in the framework of the trade agreement between Russia and Brazil concluded last year. The agreement will be effective for four years. The total volume of deals for this period is envisaged at two billion dollars. Under the agreement, Brazil supplies to Russia coffee, sugar, soybeans in return for Russian goods, including arms.

With the conclusion on June 7 of a contract to deliver 18 MiG-29 fighter planes Russia entered armaments market in South-East Asia. MiG planes, for which there was a demand abroad and Kalashnikov submachine guns accounted for 20 percent of the Soviet export of arms. The deal with Malaysia is valued at 550.5 million dollars. The first plane of the batch will be delivered next April. The other planes will be supplied within eleven months. There are plans to perfect the plane. Refuelling in mid-air will be made possible. The planes will be armed with "air-to-air" missiles. The bombing load will be increased from two to three tonnes. Russia will help Malaysia train pilots. A centre for maintenance of MiG planes will be set up. Russia will also help Malaysia develop the airospace, defence and other industries. Under the contract, 25 percent of the planes' cost will be repaid wilh palm oil products.

The Middle East market of arms remains the biggest market for Russian armaments. Saudi Arabia and the Arab Emirates are interested in purchasing new kinds of arms from Russia. Russian aircraft, tanks, antiaircraft and antitank complexes, personnel carriers and naval ships sell well abroad.

Federal Assembly

Shumeyko Against Federation Council Passing Budget

LD0906162594 Moscow NTV in Russian 1500 GMT 9 Jun 94

[Excerpt] [Correspondent Aleksandr Shashkov] Today the Russian president and the chairman of the Federation Council discussed the work of Parliament's upper chamber, on whose deputies the country's future budget depends so much.

Vladimir Shumeyko made public his views on the budget, which has already been adopted by the State Duma, at a meeting with the correspondent.

[Shumeyko] In my view the budget is like porridge plastered on a plate.

[Shashkov] Instead of being aimed at, say, the reconstruction of the economy or support for the military industrial complex, the budget, in the opinion of the Federation Council chairman, is just a record of the government's expenditure.

[Shumeyko] The Federation Council naturally will not agree to such a budget; at least I personally do not agree to it.

[Shashkov] From Vladimir Shumeyko's viewpoint, the difference in approach to the budget between the two chambers of parliament comes down to the fact that the upper chamber represents the state, while the lower chamber does not.

[Shumeyko] I have the impression that the Duma, thanks to the fact that it has a political set up and not a state one, by adopting this budget shows—or so I think—the worse the better, we'll change the authorities more quickly. But this is not a matter of replacing the authorities, it is a matter of strengthening the state.

[Shashkov] A few minutes earlier, Shumeyko shared his impressions on his visit to the strategic missile troops. Here, this was not a matter of strengthening the state. It seems that strategic missiles...

[Shumeyko, interrupting] ...Give us confidence that, while we have them and are occupied here with political wars and other business to ensure the collapse of the state, but not construct it, we can at least be sure that no one is going to touch us for the time being. [passage omitted]

Rybkin Hopes Council Will Confirm Budget

LD0906153094 Moscow INTERFAX in English 1355 GMT 9 Jun 94

[Text] Ivan Rybkin, speaker of the State Duma, expressed his hope that the upper chamber of the Federal Assembly, the Federation Council, will confirm the federal budget for 1994 if it receives comprehensive information about the changes introduced into its initial version.

During his conversation with journalists Thursday he reminded that while working over the draft the State Duma and the government found an internal reserve in the budget totaling 8.5 trillion rubles. The funds have been primarily channeled to support the Army (3.5 trillion rubles)—for the construction of houses for servicemen and for conversion. Rybkin underlined that this article is viewed as "a protected one", that is, it will not depend upon the level of revenues collection.

The amount intended to finance the transfer of social facilities from the budget of enterprises to the budget of RF [Russian Federation] constituent members has been doubled. Rybkin noted that they had found an opportunity to increase financial support for science and education.

He also reminded that the State Duma passed a decision to create a special supra-budget fund into which additional incomes from privatization will be forwarded (from July 1 privatization will be done with money as opposed to cheques). The government foresaw that a total of 1.2 trillion rubles received from privatization would be channeled into the budget, meanwhile experts of the State Duma Committee on Economic Policy estimate that this sum should be no less than 15 trillion rubles. All money from this supra-budget fund will be forwarded to build houses for servicemen, Rybkin stressed.

"If the Federation Council has this information at its disposal and if they want to participate in the law-making process then the success will be ensured," believes Rybkin. "The nation has no more money than there is in the country in reality, one should cut one's coat according to one's cloth," Rybkin said.

He expressed the supposition that "someone wants to destruct [as received] the budget in order to spend when and how much he wants, including both the currency incomes and foreign economic activity." At times, according to his estimate, "somebody skillfully exploits the dissatisfaction of the deputies" and this is "disgraceful politicizing," he believes.

At the same time Ivan Rybkin has no doubts that the State Duma will vote for the draft budget in its third reading which will probably take place in a week. This will be a formal voting, he said, because the third reading implies only juridical clarification of the law's wording.

Comments on Legislation's 'Backwardness'

LD0906143394 Moscow ITAR-TASS World Service in Russian 0926 GMT 9 Jun 94

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Excerpt] Moscow, 9 Jun—Russian State Duma chairman Ivan Rybkin thinks Boris Yeltsin's decrees on economic reform appeared because of "the known backwardness of Russian legislation." This is what he stated today while opening parliamentary hearings on the strengthening of cooperation between the federal authorities and local state administrative bodies.

Ivan Rybkin reported that the important gap in the legislation should be overcome as soon as possible and key legislative acts needed to be adopted for this to happen, including civil and land codes as well as a number of laws on legislation. [passage ommitted]

Upper House's Shirshov Wants R55 Trillion for Army

PM0906161594 Moscow KRASNAYA ZVEZDA in Russian 9 Jun 94 p 3

[Petr Karapetyan report: "The Federation Council Will Be Consistent and It Will Not Let the Figure 37 Slip Through—This Was Declared at a Meeting With Journalists by Federation Council Security and Defense Committee Chairman Petr Shirshov"]

[Text] With the expenditure level of 37.126 trillion rubles [R] stipulated by the draft budget, Shirshov said, the systematic process of replacing obsolescent and worn out combat and technical resources will, in practice, grind to a halt, while training (studies and drill) will be cut. This, in turn, will make it impossible to ensure that the combat readiness and manageability of the Armed Forces will be maintained at the requisite level. The training of someone in handling an assault rifle alone, according to Shirshov's calculations, sets the state back some R130,000, while that of tank gun operators requires some R7 million, and company level tactical exercises "cost" R137 million.

Apart from anything else, increasing the defense budget to R55 trillion will open the way for the budgets of the 33 Federation components to be topped up significantly. To compare: The amounts expounded in the draft Federal budget, the committee chairman noted, allow for six or seven federation components to "make a living." For instance, one military-industrial complex enterprise "supports" a region's population 5-10 times bigger than the number of workers at the enterprise. Up to 30 percent of the cost of military hardware and arms for the Russian Army constitutes expenditure by enterprises on the social sphere.

Committee Head: Military Budget Insufficient

LD0906172794 Moscow INTERFAX in English 1536 GMT 9 Jun 94

[Text] The Federation Council, the upper house of the Russian parliament, will find it extremely difficult to approve the federal 1994 budget as it was passed by the State Duma, the lower house, in second reading Wednesday, Budget Committee Chairman Nikolay Gonchar told journalists.

In particular, he described the increase of the military expenses by 3.5 trillion rubles rather than by 18 trillion as proposed by the Federation Council as insufficient. This decision, he said, will bring the manufacturing industries of Russia's 33 regions to their knees.

Gonchar was critical of the Duma decision to set up an extra-budgetary army support fund where finances obtained from privatization would be channeled. He said that if cash were available, it had to be included in the budget.

He also thought that the financing of regions was insufficient.

Gonchar thought that the upper house could not confine its functions to approval or disapproval of what the Duma decided about the budget. He did not rule out the possibility that conciliation procedures could be used to have the budget endorsed by the upper house.

Presidential Expert on Duma's Passage of Budget

LD0906161594 Moscow INTERFAX in English 1449 GMT 9 Jun 94

[From the "Presidential Bulletin" feature No. 110 (600): Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] The leader of the team of experts under the president Alexander Lifshits believes that the bill on the federal budget for 1994 which was approved on Wednesday in the second reading reflects the maximum possibilities of the State Duma. It is better to have this version of the budget than none at all, he said.

IF Note: The State Duma approved on June 8 in the second reading the bill of a federal budget for 1994 without any changes into the past of revenue and of expenditures and its deficit. The deputies approved proposals of the budget committee of the lower house abut more expenditures for defense purposes (from 37.1 trillion to 40.6 trillion rubles) at the expense of the internal redistribution of means in the budget. The Duma Defense Committee insisted on more money for defense purposes (up to 55 trillion rubles).

Lifshits stated that the problem was still topical. He believes there is a need to search for mechanisms to resolve the issue on additional financing of the defense order and other needs of the "power" structures. The proposals for the use for this purpose of part of the privatization campaign should, believes Lifshits, be formed as a concrete legal act. This spells serious restrictions for the process of post-voucher privatization, he believes.

According to the leader of the group of experts, now is the time to start thinking on the ideology of the budget for 1995, which should be principally different from the present one. Lifshits believes that the process should be built from above, not from below. First determined should be the principles of the structural policies, the concept or the strategy of the budget and later it should be considered by the Finance Ministry.

Meanwhile, the speaker of the upper house of parliament Vladimir Shumeyko criticized the budget approved on Wednesday by the State Duma. The Federation Council will not agree to such a budget, at least me, said Shumeyko on Thursday speaking with journalists in Moscow.

He believes the budget has no political orientation. It seems that the Duma believes like this: The worse the better. The Duma creates grounds for the change of power, said Shumeyko.

The current budget indicates that the country has no budget policy. He favored the need for greater expenditures for defense purposes.

In an exclusive interview for Interfax, the Duma speaker Rybkin expressed concern over the fact that the upper house of parliament, the Federation Council, may not approve the budget. He warned that if someone in the Federation Council takes an attempt to destroy the budget, he was prepared to make a public speech to tell the people of Russia who they were earlier and why they destroyed the budget for four years.

IF Note: If the upper house does not approve the federal budget, it will be returned to the Duma which should collect two-thirds of votes for the second approval. If the Duma fails to collect the necessary number of votes, the document will have to voted again at all levels. According to the chairman of the Duma Budget Committee, Mikhail Zadornov, there will be needed 2-3 weeks for coordination of new budget version. If so, the parliament will consider the budget of the 3-4 quarters of the year, said Zadornov.

Budget Passage Viewed

PM0906105594 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 9 Jun 94 p 1

[Yelena Afanasyeva report: "Duma Passes Budget. Who Would Have Thought It...."]

[Text] It would have been hard to call the deputies' mood on the eve of the plenary session (it had been planned to devote Wednesday and Friday this week entirely to the budget) optimistic. For even the mechanical procedure of voting on the 250 amendments to the budget would

take four hours. And then only on the basis of a 10-second vote without the slightest interruption, discussion, dispute, or break.

Many deputies knew from their experience of working in previous parliaments that it would not be possible to discuss more than 70 amendments in a day.

But journalists have noticed a new feature after five months of the Duma being at work—the more vexed a problem is, the more unexpectedly and sharply the new parliament cuts through these tangles. And this is what happened.

After some debate during the closed session Vladimir Isakov spontaneously proposed moving straight to a vote to adopt the budget on second reading as a whole, bypassing the tedious matter of the amendments. This "sharp move" did not get through (171 deputies—38 percent—voted for it), but Ivan Rybkin managed to tone down the formula to: "passing the budget on second reading, taking account of the amendments adopted by the Budget Committee, including those on the creation of a special nonbudgetary fund for defense needs."

The idea behind this interpretation is that the Army will immediately receive 3.5 trillion rubles [R] of the R18 trillion already ratified from on high by redistributing expenditure within the already ratified basic parameters of the budget. The Army will get the rest of the money from the special fund, which will collect the proceeds from post-voucher privatization, from state apparatus spending cuts, and from the abolition of foreign trade benefits. How much this income will come to is unknown, since nobody knows how much privatization—the procedure for which has not yet been ratified—will raise, and we all know how we usually go about cutting our apparatus. Consequently, the sums which the Army may receive for use on social needs are unknown, as is the procedure for their distribution.

The toned-down formula suited the deputies, all the more so as the government, as Deputy Finance Ministry Vladimir Petrov put it, has withdrawn its last objection (the demand for R1.5 trillion to service domestic debt) and has totally supported the Budget Committee's amendments.

The vote was 228 in favor and 40 against, with 32 abstentions. And...the budget, unexpectedly for many people, was adopted. The coordination of the faction leaders' positions bore fruit. Whereas such different people as Rybkin, Burbulis, and Nevzorov voted in favor, "Yabloko" mostly did not vote. The Zhirinovskiy faction was almost entirely absent—accompanying their leader in Krasnodar Kray.

The budget has been passed by the Duma. But this does not mean that Russia now has a budget for this year. The budget now has to be ratified by the Federation Council, which is categorically insisting on allocating the entire requested sum of R55 trillion to the Army and is demanding R23 trillion on its own behalf for Federation components. The upper house's disapproval of the lower house will have to be overcome by a two-thirds vote—which, given the "marginal" [pogranichnyy] vote yesterday (51 percent in favor) will be very problematic.

Later the budget (after passing the Duma and the Federation Council) will reach the president. And he, if you recall, has already stated that he will not allow himself to fall out with the Army.

Here is a riddle—in what month of what year will Russia finally get the ratified 1994 budget?

P.S. It transpired at the end of the day that the Duma will have to vote once again on the draft budget. This time—according to the procedure approved by it for the adoption of the federal budget—"as a whole."

Yeltsin To Submit 17 Bills on Social Accord

LD1006105094 Moscow ITAR-TASS in English 0919 GMT 10 Jun 94

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow June 10 TASS— Russian President Boris Yeltsin will submit 17 most important bills to the State Duma (lower chamber of the Russian Parliament) in June. They are intended to help implement the social concord agreement. Their list was today handed out to Duma members.

The package includes bills "On the Government of the Russian Federation", "On Combatting Organised Crime", "The Criminal Code of the Russian Federation", "On General Principles of State Power in the Russian Federation", "On Federal Executive Bodies", and also on the flag and coat-of-arms of the Russian Federation.

The bill on the "Criminal-Procedural Code of the Russian Federation" will be the last to be submitted to the State Duma—on June 30. The first ones to be discussed will be two bills: "On the Procedure for Adopting and Putting Into Force the Federal Constitutional Laws and Federal Laws" and "On Amendments to the Law on the State Border". The documents also include a bill "On the Right to Information".

Yeltsin has instructed his plenipotentiary representative in the Federal Assembly to agree with the State Duma and the government on their joint work to finalise the bills, which the lower chamber of the parliament is to discuss. He also instructed the head of the presidential administration to appoint the people who will be personally responsible for drawing up the bills in conformity with the fixed plan.

Baburin Resigns From Concord For Russia Bloc

LD0906154094 Moscow INTERFAX in English 1355 GMT 9 Jun 94

[Text] Sergey Baburin, MP, a leader of the Russian All-People's League, officially left the opposition movement Concord for Russia.

Vasiliy Lipitskiy, chairman of the Social-Democratic Popular Party of Russia, told journalists that Baburin had made his move following the State Duma's vote Wednesday on the 1994 budget. Communist Party and Agrarian Party leaders Gennadiy Zyuganov and Mikhail Lapshin voted for the budget draft while Baburin rejected it.

Baburin jointly with former Russian vice-president Aleksandr Rutskoy, Zyuganov, Lapshin, Constitutional Court Justice Valeriy Zorkin and the Duma's Economic Policy Committee Chairman Sergey Glazyev founded the Concord for Russia opposition movement and attended last May's session of the movement's National Council.

A week later he said in Novosibirsk, however, that the Russian All-People's League would not support Rutskoy, who could become the opposition candidate in the coming presidential elections.

Communists Call for Abolition of Presidency

LD1006094694 Moscow ITAR-TASS in English 0831 GMT 10 Jun 94

[By ITAR-TASS correspondent Ivan Novikov]

[Text] Moscow June 10 TASS—The communist faction in the Russian Parliament's lower house has called for the abolition of presidency in Russia and the formation of a government of popular trust.

The Communist Party of the Russian Federation and its faction in parliament circulated an official document in the State Duma entitled "on the three-year policy of destruction of the basis of people's life in Russia" which calls on all "truly patriotic and democratic forces to join the lawful struggle for radical changes in the policy of the Russian state and the withdrawal of the ruling regime from the political arena."

Unified Duma Entrepreneurship Council Proposed

MK0906090394 Moscow SEGODNYA in Russian 9 Jun 94 p 2

[Gleb Cherkasov report under the "Structuring" rubric: "Council on Entrepreneurship Being Set Up Under Duma. Two Similar Councils Already Exist Under the Government"]

[Text] The leaders of the "Russian Business Roundtable" [RBR] association of entrepreneurial unions and movements are pressing on with the campaign to create systems for interaction of business circles with power structures. RBR Chairman Ivan Kivelidi met the other day with Speaker Ivan Rybkin. The discussion was devoted to questions of cooperation between parliament and entrepreneurial circles.

Mr. Kivelidi and Mr. Rybkin agreed on the need to form a special independent organ that would coordinate the RBR's relations with the Federal Assembly on the one hand, and with the government on the other. Also, the need to hold consultations between Duma committees and RBR representatives on all matters pertaining to entrepreneurial activities was recognized.

At the same time the "Roundtable" made a statement voicing bewilderment at the fact that "there exist in the structure of the government two parallel councils on entrepreneurial matters—a Council on Industrial Policy and Entrepreneurship, and a Council on the Development of Entrepreneurship." The statement points out that "the making of an artificial distinction between managers and businessmen of Russia may entail consequences that could hold up the natural development of the economy." The RBR proposes to the government to create a unified "State Council on Entrepreneurship" whose members must be confirmed with the opinions of public associations of entrepreneurs being taken into account.

Polar Explorer Elected Duma Deputy Speaker

LD1006113494 Moscow ITAR-TASS in English 0924 GMT 10 Jun 94

[By ITAR-TASS parliamentary correspondent]

[Text] Moscow June 10 TASS— Artur Chilingarov, a noted polar explorer, was elected to become the fifth deputy speaker of the Russian State Duma on Friday.

247 lawmakers voted for him, 19 against and 28 abstained.

An ethnic Armenian, Chilingarov is a member of the "New Regional Policy" faction, the president of the Association of Polar Researchers and a member of the all-Russian "Renewal" union.

In Duma he represents the Nenets Autonomous Region.

Duma Backs Newspapers' Call for Ownership

PM0906113194 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9 Jun 94 p 2

[Vasiliy Ustyuzhanin report: "Where Is Our Share?"]

[text] The State Duma yesterday supported an appeal from chief editors of papers and magazines published by the "Pressa" publishing house. What do journalists of KOMSOMOLSKAYA PRAVDA, SELSKAYA ZHIZN, OGONEK, KRESTYANKA, PRAVDA, ROSSIYSKAYA GAZETA—around 20 publications in all—want? In short—justice.

The publishing house had been expanding for many years, including on the money of newspapers and magazines. Through collective efforts a unique publishing complex was created. But following the well-known August events the publishing house received state-owned status, while the newspapers got the status of juridical entities and...no shares in the property. As a result, every editorial collective was forced to conclude a lease contract separately with the publishing house on—let us be blunt—disadvantageous terms.

State Duma deputies deemed the demands of the journalists' collectives to be well-founded, and proposed that the government adopt the necessary measures.

Regional Affairs

Yeltsin, N. Ossetian President Meet

LD0906123694 Moscow ITAR-TASS in English 1142 GMT 9 Jun 94

[Text] Moscow June 9 ITAR-TASS—Russian President Boris Yeltsin and President of North Ossetia Akhsarbek Galazov met in the Kremlin today to discuss the situation in this North Caucasian republic within the Russian Federation. The two presidents discussed in general features the possibility of signing a treaty between Russia and North Ossetia ahead of the 220th anniversary of Ossetia's joining Russia.

President Boris Yeltsin drew the attention of North Ossetia's leader to the need to implement unswervingly the Russian president's decrees concerning stabilisation of the situation in the North Caucasian republic.

President Galazov informed Boris Yeltsin about the process of disbanding unlawful armed formations in the republic.

Skokov Confers With 3 Regional Presidents

MK1006081094 Moscow SEGODNYA in Russian 10 Jun 94 p 1

[Unattributed report: "The Presidents Have Conferred With Yuriy Skokov in Cheboksary"]

[Text] Skokov has met in Cheboksary with the presidents of three republics: Nikolay Fedorov of Chuvashia, Mintimer Shaymiyev of Tataria [Tatarstan], and Murtaza Rakhimov of Bashkiria [Bashkortostan]. The meeting took place behind closed doors but ITAR-TASS reported that the political situation in Russia in the run-up to the 1996 presidential elections was discussed. Problems related to the end of the voucher privatization and transition to a new stage of reform were also considered.

Luzhkov Concerned Over Crime in Moscow

LD0906185994 Moscow INTERFAX in English 1741 GMT 9 Jun 94

[Text] Moscow Mayor Yuriy Luzhkov has called on the president, government and parliament to take immediate measures to fight crime. He supported the need to grant the police, prosecutor's offices and the Federal Counterintelligence Service extra powers which would enable them to impose order both in the capital and provinces of Russia as soon as possible.

If this does not happen in the near future, Moscow as a subject of the Russian Federation will have to make an independent decision, according to Luzhkov's statement published Thursday.

In Luzhkov's opinion, the main reason impeding the ultimate resolution of the issue is entirely obsolete legislation.

"Today laws protect criminals and tie the hands of the law-enforcement bodies," the statement runs.

In particular, Luzhkov expressed concern over the attempt upon the chairman of board of the joint-stock company LogoVAZ, Boris Berezovsky, on June 7 and other terrorist acts in Moscow this week which lead to the loss of life.

Luzhkov said he had instructed the law-enforcement bodies to use the tightest and harshest measures while investigating these crimes. "The chaos on the streets of our city must be stopped," Luzhkov stressed.

Motives for Car Bombing Surmised

PM0906141594 Moscow IZVESTIYA in Russian 9 Jun 94 p 2

[Report by Sergey Leskov: "Amplification of Stories About Those Responsible for Explosion at 'LogoVAZ' Office"]

[Text] As everyone saw on "Ostankino," Boris Berezovskiy, chairman of the "LogoVAZ" Board of Directors and general director of the All-Russia Automobile Alliance, was wounded on the evening of 7 June at the "LogoVAZ" company's reception center as the result of a massive explosion. An explosive device planted in an unoccupied car parked by the side of the road detonated the moment the Mercedes-600 containing Berezovskiy emerged though the gates of the reception center. The driver of the Mercedes was killed on the spot by fragments of the device, while Berezovskiy and his bodyguard, as well as several passersby, were injured.

Late in the evening Berezovskiy, who received severe burns to the face and hands, was sent home from the hospital but is under the constant observation of a doctor. The bodyguard is in a very serious condition: He has lost his sight, and the lower part of his face has been

badly affected. It was only at midday on 8 June that it became clear that his condition had, as the doctors put it, "stabilized."

An official statement put out by the "LogoVAZ" board describes the incident as a terrorist act aimed at killing Berezovskiy. The version of events which maintains that this was a chance occurrence, an attempt on the life of the owner of the car containing the bomb, is being refuted. The grounds for this are as follows. The explosive device was directional and the mechanism itself was filled with many metal balls and splinters which were spread over a distance of 150-200 meters.

It is most likely that the owner of the car which was blown up, who was allegedly in the neighboring casino, does not exist. Several witnesses claim that the car, which was completely destroyed by the blast, had Lithuanian license plates.

The interpretation that it was linked to the allocation of spheres of interest is denied in just as categorical a manner. Indeed, "LogoVAZ" does not have any competitors in Russia in terms of volumes of sales. However, last year a series of explosions shook "LogoVAZ" parking lots in Moscow which the company itself tried to investigate. As we were told in private conversations, they succeeded in ascertaining who the terrorist was. He turned out to be a half-crazy lone blackmailer unconnected to any criminal groupings. Following the recent incident, doubts about this verdict have only intensified.

At the same time, people at "LogoVAZ" maintain that neither Berezovskiy nor "LogoVAZ" have recently been the victims of intimidation. Unofficial sources assert that, considering the realities of life in this country, the company could long ago have reached a peace agreement with the capital's major mafia structures. However, it is not really possible to monitor all groups making money out of automobiles.

One interpretation of the attempt on Berezovskiy's life says that recently this entrepreneur has significantly broadened his range of activities and begun to pay greater attention to politics. Berezovskiy, 47, is a corresponding member of the Russian Academy of Sciences and the author of many scientific works on the theory of management. It was he who was the inspiration behind the first private industrial investment project in Russia, "AVVA," to build a new giant automobile plant in Tolyatti. That aside, Berezovskiy is the founder of Russia's largest charitable foundation—"Triumf."

St Petersburg May Lose Water, Light From 21 Jun

LD0906180894 St. Petersburg Fifth Channel Television Network in Russian 1530 GMT 9 Jun 94

[Text] It is very likely that on 21 June St. Petersburg will be left without water and light. On that date the Lentransgaz Association will halt gas deliveries to all the city's power stations. The reason is the usual one—debts. This year the Lentransgaz joint-stock company has not received 60 billion rubles. With sums like that, the system of mutual accounts is no longer working, the Lenpromgaz [as heard] chief engineer said today in an interview to the Sankt-Peterburgskiye Vedemosti Agency. A cardinal solution has to be found. Simply patching up the budget will just lead to the water and light problem returning closer to winter.

Dudayev Says Russia's Policy Threatens New Clashes

LD0806113094 Moscow INTERFAX in English 1020 GMT 8 Jun 94

[Text] The pressure on Chechnya by Russia can seriously aggravate the situation in the North Caucasus and result in widescale armed clashes, believes Chechen President Dzhokhar Dudayev. "The policy pursued by Russia has absolutely no prospects and can lead to a global military confrontation between Russia and the Caucasus which can finally develop into a new Russian-Caucasian war," Dudayev declared in his interview with Interfax.

As Dudayev asserts, young people from other North Caucasian republic who are concerned over the worsening situation around Chechnya are coming to Groznyy. In Dudayev's words, they express their wish to serve in the armed forces of the Chechen republic.

Being interviewed by Interfax the day before, Sergey Filatov, head of the president's administration, accused Dudayev, who has repeatedly voiced sharp anti-Russian statements, of actual disruption of the negotiating process between Moscow and Groznyy. Having recognized that Dudayev possesses the real power in Chechnya, Filatov expressed his hope that the Russian-Chechen dialogue would be resumed in the near term.

Zavgayev Seen as Moscow Choice for Next Chechen Leader

PM0906162594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9 Jun 94 p 2

[Article by Sergey Mashtakov under the general heading "Who Is Kicking the Chair From Under President Dudayev?": "The View From Moscow"]

[Text] It would appear that the situation in Chechnya is beginning to acquire the hallmarks of a farce. The local authorities' decision on Sunday to deprive Ruslan Khasbulatov, the former speaker of the Russian Federation Supreme Soviet; Doku Zavgayev, the last head of the Checheno-Ingushetia party apparatus; and Yaraga Mamadayev, who heads the "government-in-exile of the people's trust"; of the right to reside on the republic's territory, is "an exclusively defensive action." This colorful company is united, in the opinion of the Chechen Republic's law-enforcement organs, by "activity against the Chechen people and a pact with the Russian imperial authorities." In practice this expressed itself, according

to the same sources, in elaborating "plans to dismantle the independent Chechen state" with the Russian Government.

Meanwhile, Moscow's official refusal to sit down at the negotiating table with the Chechen delegation, delivered last Tuesday by Sergey Filatov, will evidently make the Groznyy leadership still more nervous and suspect Russia even more of hatching "occupation plans." In Yaraga Mamadayev's words, it cannot be ruled out that Dudayev's administration could stage an armed provocation on the Russian-Chechen border in order to whip up internal political tension in Chechnya and torpedo the elections to the federal parliament.

At the same time, according to Sergey Shakhray, despite the deterioration of relations between Groznyy and Moscow, the Russian Government is holding consultations with interested representatives of Chechnya in order to resolve a whole range of problems between Russia and this North Caucasus republic. Although the Russian vice premier does not clarify with whom these consultations are being held, there is every reason to suggest that it is the same "persona non grata" deported from Chechnya by President Dudayev last week.

Of course, the right to play the first violin for the Chechen side in the consultations by no means belongs to Ruslan Khasbulatov—after the events of last October it would be naive to think otherwise. Yaraga Mamadayev, who today is well in with Sergey Filatov and Viktor Yerin, has more considerable chances of reaching agreement with the Russian authorities. However, the black spots in Mamadayev's biography—for example, the support for his political activity from Chechen commercial structures—and his personal friendship with Ruslan Khasbulatov—cause the federal authorities to treat this figure cautiously as well.

Strange as it may seem, the Kremlin believes the most probable candidate for the post of the next leader of Chechnya to be Doku Zavgayev, who currently works in Boris Yeltsin's staff. Despite his defeat in September 1991 (following the August events he was forced to resign his post as chairman of the Checheno-Ingushetia Supreme Soviet), Zavgayev is today effectively the only Chechen politician who appeals both to Moscow and his own compatriots.

No one, it would appear, knows today how the Chechen card will be played. One thing only is known: In the next stage of the historical cycle the farce will inevitably slide into a tragedy. Whether it can be avoided is another question.

Maritime Kray Head Calls for Direct Presidential Rule

LD0906185494 Moscow Russian Television Network in Russian 1600 GMT 9 Jun 94

[Video report by A. Abonosimova from Vladivostok; from the "Vesti" newscast]

[Text] The administration in Maritime Kray considers it necessary to introduce direct presidential rule on the region's territory. Asking for privileged economic conditions in taxation, customs duties, subsidies, and compensation for two to three years, the governor Ye. Nazdratenko believes that it is necessary to introduce a state of emergency on the territory of the Maritime region in order to fight gangsterism and crime. Discipline and a tough executive authority are needed.

Insofar as the kray's economy and management cannot be separated, the head of administration believes that it would be very appropriate for the kray to switch to direct state rule, at the same time as a resolution on the special economic situation of the kray is signed in September after the arrival here of Premier Viktor Chernomyrdin. A system for the compulsary implementation of presidential decrees has been drafted. He had the following to say about this.

[Nazdratenko] The government should take action on all of these matters. Maybe even, in many cases, without the agreement of parliament because of the inefficiency of the enterprises on the territory of our country.

[Abonosimova] Sure of the support of the president and the tendency of parliament to put a brake on matters, Nazdratenko, asked who would make the decision to introduce emergency rule, said:

[Nazdratenko] The Federation Council, of course—that would be the ideal choice.

Government Reshuffle in Sverdlovsk Oblast

MK0906100094 Moscow KOMMERSANT-DAILY in Russian 9 Jun 94 p 3

[Valeriya Ochinyan report: "Changes in Sverdlovsk Oblast Administration. Sverdlovsk Governor Gets Rid of 'Old Guard'"]

[Text] It has taken Sverdlovsk Oblast Governor Aleksey Strakhov five months to finally decide on a reshuffle in the administration. He announced the move in yesterday's sitting of the oblast government. Despite the many expectations, however, the fired officials were not the men of former governor Eduard Rossel, but rather members of the "old guard" who used to work in Sverdlovsk with Boris Yeltsin and Oleg Lobov.

The shakeout, the possibility of which Aleksey Strakhov warned about back in his first days as governor, has affected the positions of importance for the oblast: Having been relieved of their positions are Aleksandr Nebesnov, deputy administration head for transport and communications; Sergey Turunovskiy, administrator of affairs; Anatoliy Tarasov, head of the foreign economic relations administration; and Galina Ivanina, head of the organizational department. Incidentally, Mrs. Ivanina is the only "casualty" whose dismissal was explained by the administration's head himself; he accused her of "working for the Duma." The cause of

Mr. Tarasov's dismissal is also clear, however, for he is being identified with the abuses by the oblast's special exporters of strategic raw materials who were recently exposed by a commission of the Control Administration under the president.

According to informed sources, so protracted a hiatus between Mr. Strakhov's appointment as governor and the start of the personnel "purges" is attributed to the difficulties of selecting personnel to fill key positions in the oblast. One can still suppose that the governor will not draw the line at parting with the mentioned officials, and the administration is in for new waves of dismissals. At the same time, observers think, the fired officials cannot be identified at all as "Rossel's people" because most of them had been working in the oblast [Communist Party] executive committee ever since Boris Yeltsin was secretary of the oblast committee, and Oleg Lobov chairman of the oblast executive committee. Experts who predict Mr. Rossel's comeback as governor think Strakhov's reshuffle would stand any of his successors in good stead because discernible behind the current change is the desire to replace the old-style administrators with younger ones, capable of flexible methods of work.

Russian National Unity Movement Formed in Komsomolsk

LD0906100594 Moscow ITAR-TASS in English 0720 GMT 9 Jun 94

[By ITAR-TASS correspondent Georgiy Kunilovskiy]

[Text] Komsomolsk on Amur June 9 TASS—The primary organisation of the Russian National Unity Movement formed in Komsomolsk on Amur distributes newspapers and leaflets. The organisation is in opposition to both democrats and communists. On matters of national policy it holds an even tougher stand than the Zhirinovskiy party. The movement's credo is "revival of the Russian nation".

Members of the local organisation of the Russian National Unity Movement strive to enlist support among workers, the military and youth. The movement has supporters among Cossacks and the local patriotic society RUS. The organisation's leaders have contacts with Moscow and receive from Moscow newspapers and booklets, specifically "The Russian Order", "Russian World", "Our Fatherland". These publications are blatantly nationalistic. The authorities of Komsomolsk on Amur try not to notice the new organisation that has not been registered officially.

Sakha Republic Introduces New Rules for Foreign Visitors

OW0906110994 Moscow Russian Television and Dubl Networks in Russian 0600 GMT 8 Jun 94

[Announcer-read report; from the "Dalniy Vostok" program]

[Text] The edict issued by Mikhail Nikolayev, president of the Sakha Republic, Yakutia, establishes special rules for entry into the republic. They concern citizens of foreign states and CIS countries, as well as those republics of the Russian Federation which have not signed the federal agreement. To enter Yakutia from now on, it is necessary for them to have special invitations approved by the local authorities. In a number of instances, citizens in given categories could be refused permission to enter the republic of Sakha, or be expelled before the expiration of their stay. The grounds for this specifically are actions which go against the interests of state security or public order, established traditions and standards of moral behavior, as well as breaches of customs, currency, and other laws of the Russian Federation and Yakutia.

International Affairs

DPRK Foreign Minister on Conditions for IAEA Inspections

SK0806230694 Seoul KBS-1 Radio Network in Korean 2100 GMT 8 Jun 94

[YONHAP report from Kiev]

[Text] North Korean Foreign Minister Kim Yong-nam said on 8 June that if the United States agrees to resume the third round of DPRK-U.S. talks, North Korea will allow the International Atomic Energy Agency to inspect its nuclear facilities in Yongbyon. In a news conference after winding up his Ukraine visit, Kim Yong-nam said that if the DPRK-U.S. talks are resumed, North Korea will guarantee the inspection of the nuclear facilities, including the test, measurement, and preservation of the fuel rods.

Kim Yong-nam also said that the United States is rejecting the resumption of the third round of the DPRK-U.S. talks by carrying out stalling tactics. He added that since the United States and North Korea are the parties directly involved in this matter, the only way to resolve this matter is through the United States and North. He pointed out that the nuclear issue was caused by the United States and that the threat against the DPRK stems from the United States.

Says North To Continue Missile Tests

SK0906232894 Seoul KBS-1 Radio Network in Korean 2200 GMT 9 Jun 94

[YONHAP report from Kiev]

[Text] North Korean Foreign Minister Kim Yong-nam threatened that South Korea will be devastated if a war between North and South Korea breaks out. Prior to his departure after winding up his visit to Ukraine, Kim Yong-nam asserted that South Korea will face a calamity if a war breaks out because South Korea blindly follows the U.S. policy to enforce sanctions.

Kim Yong-nam said North Korea has the will and sufficient capability to defend itself from sanctions. Kim Yong-nam also stressed that North Korea will continue to pursue missile launching tests.

Terms Official Visit Successful

LD0906160394 Moscow ITAR-TASS in English 1521 GMT 9 Jun 94

[Report by UKRINFORM correspondent Alexiy Trotsenko for TASS]

[Text] Kiev 9 June—North Korean Foreign Minister Kim Yong-nam completed his four-day official visit to Ukraine on Thursday [9 June].

The North Korean foreign minister had meetings with Ukrainian President Leonid Kravchuk and first deputy chairman of the Ukrainian Supreme Soviet Aleksandr Tkachenko to discuss the development of cooperation between the two countries.

North Korean Foreign Minister Kim Yong-nam and his Ukrainian counterpart Anatoliy Zlenko signed a number of official Korean-Ukrainian documents.

Speaking at a press conference for Ukrainian and foreign journalists Kim Yong-nam called his visit successful.

Joint Trade Commission Set Up With DPRK

LD0906153494 Kiev UNIAN in Ukrainian 1130 GMT 9 Jun 94

[Text] Kiev [no date as received]—An agreement setting up a joint Ukrainian-Korean commission for trade and economic cooperation was signed on 8 June at the Ministry of Foreign Economic Relations. It was signed by Petro Kaban, deputy minister of foreign economic relations for the Ukrainian side, and Han Su-kil, deputy chairman of the Commission for External Economic Affairs of the DPRK.

Kaban said the agreement would promote trade and economic cooperation between the two countries on the same scale as when Ukraine was in the Soviet Union. Deputy Minister of Industry Hryhoriy Osaulenko has been nominated to head the Ukrainian staff at the commission who are to be approved by the Cabinet of Ministers.

Han Su-kil said that the DPRK was mainly interested in importing equipment from Ukraine for its mines, generators, and rolled metal plates, and in Ukraine's assistance in the development of oil fields and oil extraction.

Anatoliy Kolos, Ukraine's deputy minister of foreign economic relations said Ukraine had already set up such joint commissions with Poland, Hungary, Vietnam, Mongolia, China, and other countries. An agreement with the DPRK pointed to renewal of Ukraine-North Korean economic relations. Kolos added that Ukraine had the resources to develop oil fields in the DPRK. Negotiations at this stage concern the method of payment for Ukrainian services, whether it will be made in hard currency or on terms of barter supplies.

The joint Ukrainian-Korean commission for trade and economic cooperation is provisionally planning to hold its first meeting in September in Pyongyang.

Vietnamese Premier Meets Kravchuk; Praises Visit

LD0906181594 Kiev UT-1 Television Network in Ukrainian 1600 GMT 9 Jun 94

[Text] Today, Ukrainian President Leonid Kravchuk received Vietnamese Prime Minister Vo Van Kiet.

[Unidentified correspondent] The Vietnamese prime minister is in Kiev on an official three-day visit.

At the start of their conversation, the Ukrainian president expressed his satisfaction with the results of the meetings and talks with Ukraine's senior government officials and economists, held by the Vietnamese guest in the last two days.

Several important documents and agreements on wider-ranging cooperation between Ukraine and Vietnam were signed. The latter country, in particular, has an interest in our state carrying out the reconstruction of Vietnamese power engineering enterprises, and even today there are some Ukrainian specialists taking part in the construction of two hydroelectric stations in the south and north of that country. Machine building, the chemical and light industries are just some of the aspects of our mutual interest in cooperation.

Vo Van Kiet spoke highly of the results of his visit to Ukraine and expressed hope that relations between both states will further develop and strengthen.

SRV Businessmen Discuss Improving Trade Turnover

LD0906142994 Kiev UNIAN in Ukrainian 1130 GMT 9 Jun 94

[Text] Kiev [No date as received]—A meeting of Ukrainian and Vietnamese business representatives was held yesterday at Ukraine's Ministry of Foreign Economic Relations, during an official visit by a delegation of the Socialist Republic of Vietnam led by Prime Minister Vo Van Kiet.

Anatoliy Kolos, Ukraine's deputy minister of foreign economic relations, said the Ukrainian-Vietnamese trade turnover in 1993 was $39 million, including $23 million in exports and $7 million in imports. Ukraine's exports to Vietnam include hydroturbines, bulldozers, transport lifting equipment, and others. Import priorities are rice and rubber. According to Anatoliy Kolos, 29 joint Ukrainian-Vietnamese ventures have been set up in the years of independence, eight of which are manufacturers.

Mai Van Zakh [name as received], Vietnam's deputy minister of commerce, said that thanks to reforms introduced in Vietnam in 1986, the country's exports have been boosted by 20 percent each year. One of Vietnam's priorities in foreign relations, the deputy minister said, is renewal of ties with CIS states, particularly, with Ukraine. Mai Van Zakh told UNIAN that the slow development of Ukrainian-Vietnamese relations was caused by Ukraine's lack of legislative regulations on payments.

Deputy Minister Anatoliy Kolos said in an interview that Ukraine is mainly interested in Vietnamese rubber imports for which Ukraine could supply relevant processing equipment. In order to resolve the other bilateral issues, Ukraine and Vietnam set up an intergovernmental commission led by Vietnam's deputy minister of commerce and Ukraine's deputy minister of foreign economic relations, Anatoliy Kolos. The commission will look at the possibility of setting up a Ukrainian-Vietnamese bank.

Summing up the meeting, Anatoliy Kolos pointed out favorable trends in the development of Ukrainian-Vietnamese relations, saying that despite all economic obstacles, Ukraine's exports to Vietnam have grown 10-fold in the first quarter of this year, while imports have increased two-fold, compared with the respective period last year.

Foreign Minister Leaves for NATO Council Session

LD0906110994 Kiev Radio Ukraine World Service in Ukrainian 1000 GMT 9 Jun 94

[Text] Ukraine's Minister of Foreign Affairs Anatoliy Zlenko flew to Turkey today, a special correspondent of the Novyny television and radio agency reports. He will take part in a session of the NATO Cooperation Council, which will be held in Istanbul. The organization was set up at the initiative of NATO heads of states in November 1991 and has been holding consultations on key political issues and security problems. The Ukrainian delegation will also attend the opening of the Ukrainian Embassy in the Turkish capital, Ankara.

Zvyahilskyy, U.S. Ambassador Discuss Economic Cooperation

WS1006113794 Kiev Ukrayinske Radio First Program Network in Ukrainian 0500 GMT 10 Jun 94

[Text] Ukrainian Acting Prime Minister Yukhym Zvyahilskyy received William Miller, U.S. ambassador extraordinary and plenipotentiary to Ukraine. During their conversation, both officials discussed the present economic situation in Ukraine and cooperation opportunities between our countries. In particular, they touched upon U.S. aid regarding the deported Crimean people.

Vice Premier Landyk for Economic Unity of CIS, E. Europe

LD0906183894 Kiev Radio Ukraine World Service in Ukrainian 1500 GMT 9 Jun 94

The former USSR countries and the East European states—Poland, the Czech Republic, Slovakia, and Hungary—should unite economically with the aim of protecting their markets. Ukraine's Deputy Premier Valentyn Landyk said this in an interview for the mass media. He pointed out that the West European markets are not waiting for Ukrainian products, but at the same time everything possible is being done by Western firms to conquer the CIS markets. In the opinion of Valentyn Landyk, Ukraine's export potential today is not as high as one would like it to be—mainly raw materials are offered for export. Our state can sell its industrial products to Russia and other Commonwealth countries.

The Ukrainian deputy prime minister emphasized that our state's accession to the CIS Economic Union with the rights of an associate member is an important move. An associate member is even in a better situation as it has more freedom and elbow room, underlined Valentyn Landyk.

FBI, Other Special Services Seen Expanding Activity

MK0906090994 Moscow PRAVDA in Russian 8 Jun 94 p 2

[Report by Viktor Drozd from Kiev: "Who Is Last in Line for Spies?"]

[Text] Last year PRAVDA reported on the enhanced interest by foreign special services in secret installations located in Dnepropetrovskaya Oblast. It seems, however, that an appetite for secrets comes in the eating. Now, according to KIEVSKIYE VEDOMOSTI, (citing an interview with V. Nazarenko, deputy chief of the Ukraine Security Service Division in Zaporozhskaya Oblast), foreign knights of the cloak and dagger are not content with the "enhanced interest in secrets concentrated in the region."

Recently the Ukraine Security Service caught red-handed several residents of Zaporozhskaya Oblast who in exchange for "greenbacks" transferred valuable information abroad. Without a second's hesitation, special services are openly encouraging "cooperation" not only among the recruited Ukrainian citizens but also their relatives and friends. True, special services display initiative in all directions. The FBI, in particular, via the RUSSKOYE SLOVO newspaper, has called on the "Russian-speaking public of the United States and the newly arriving emigrants" to help their new country.... "Throughout many years," the FBI recalls, "emigrants from the USSR have rendered assistance to the FBI.... We request those who possess any information to come to the local FBI office."

More on Second Round of Talks on Black Sea Fleet

LD0906133094 Kiev UNIAN in Ukrainian 1130 GMT 9 Jun 94

[Text] Kiev, [no dateline as received]—Another round of interstate negotiations between Ukraine and Russia on the issue of Black Sea Fleet division is concluding on 9 June. On the second day of the meeting, the sides commenced discussion on the division of the Black Sea Fleet's shore infrastructure. The sides decided on the division of combat ships, boats, special-purpose vessels, and auxiliary craft specifically, "according to the pennants principle" [za vympelamy].

Interviewed by a UNIAN correspondent, Ukrainian navy commander Volodymyr Bezkorovaynyy has explained that the ship repair works, bases, armament depots, etc., in particular, belong to the shore infrastructure. In the vice admiral's words, "every type of missile armaments for Black Sea Fleet ships, not to mention artillery; mines; torpedoes; anti-submarine armaments; hydrographic, navigational, and radio equipment; and chemical weapons," requires a separate maintenance facility." According to Volodymyr Bezkorovaynyy, up to 30 Black Sea Fleet facilities are quite unique. The vice admiral's opinion is that "neither side can do without them, and they should only be used jointly."

Volodymyr Bezkorovaynyy says some of the Russian delegation's members are attempting to reduce the issue of separating the Russian and Ukrainian navies to a merely geographic interpretation of the problem. He says: "It indeed is possible for the moorings of separate ships to be arranged in different harbors. The separation of the forces, however, has to take account of jointly using a whole number of Black Sea Fleet facilities, regardless of who owns or rents them."

Talking to journalists, Russian Ambassador Yuriy Dubinin, the head of the Russian delegation, has said he hoped the division of the fleet might be over by the autumn. He emphasized that the talks were to conclude by signing one document with appendices, rather than separate ones on the ships and the infrastructure. "The result of this will be that the Black Sea Fleet will acquire a new quality without suffering the loss of those needed by it." He believes that the problem of Black Sea Fleet division is mainly psychological.

Yuriy Dubinin confirmed that he understood the notion of "separating the fleets" as having the main bases of the Russian Navy and those of the Ukrainian Navy at a certain distance from each other.

The head of the Russian delegation said he would offer the Ukrainian side to continue working on documents relating to fleet division in Moscow.

Russia's Dubinin on Talks

LD0906152194 Moscow ITAR-TASS in English 1456 GMT 9 Jun 94

[Report by ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev 9 June TASS—The division of the Black Sea Fleet must bring tranquility to people and confidence of the morrow. It is important to ensure that there should be no conflicts nor incidents in this process so that the personnel should calmly conduct their service and that there should be no animosity and misunderstanding between the two fraternal peoples, Yuriy Dubinin, ambassador at large of the Russian Foreign Ministry, who heads the Russian delegation at the talks in Kiev, said in an exclusive interview to ITAR-TASS on Thursday.

Dubinin believes the negotiating on Wednesday was "extremely useful and constructive." So far there have

been disputes on general principles, without addressing the essence of the matter. Now the sides have been able to pass on from generalised declarations to specific debating on the specific list of naval ships and other vehicles, as well as places of basing of the Black Sea Fleet and the Ukrainian Navy, Dubinin said. The main parameters of the division of ships have been in general defined, the head of the Russian delegation said. Economists and financial experts work alongside military experts to assess the cost of ships and infrastructure of the Navy. They will make their conclusions known to the delegations.

Dubinin believes that all the matters involved in the division of the Black Sea Fleet should be formulated in one document, an agreement, that would set out provisions for the settlement of every stage of the division.

"We want the Ukrainian naval forces to rally as soon as possible and Russia's Black Sea Fleet to embark on a new stage of its development without losing its characteristic combat properties," Dubinin said.

The negotiations go on. Unless this work is concluded in Kiev, the next round will be held in Moscow.

Further Comments

LD0906164994 Moscow INTERFAX in English 1502 GMT 9 Jun 94

[Report by INTERFAX Diplomatic Panorama correspondents Igor Porshnev, Vitaly Trubetskoi and others]

[Text] The problem of division of the Black Sea Fleet warships and launches, which is discussed by the Russian and Ukrainian delegations in Kiev, has been nearly solved. The statement was made Thursday [9 June] before the beginning of the next round of talks by commander of the Ukrainian Navy, Vladimir Bezkorovainy.

Speaking about the problem of basing, Bezkorovainy said that the Ukrainian Navy could also use the bases leased to the Russian Navy.

The head of the Russian delegation at the talks, Yuri Dubinin marked the constructive and friendly situation at the talks.

He said that according to the understanding Ukraine should have 18.3 pct of Black Sea Fleet's warships.

Dubinin said if the sides fail to achieve a definite result on Thursday, we shall invite the Ukrainian delegation to Moscow to continue talks.

Russian Ambassador in Kiev Leonid Smolyakov told INTERFAX-Ukraine that still unresolved are the conditions and deployment period of the Russian Navy in the Ukrainian territory.

Financial Issues Dominate Talks

LD0906214894 Kiev UNIAN in Ukrainian 1950 GMT 9 Jun 94

[Text] Kiev, [no dateline as received]—A regular two-day round of negotiations between Russian and Ukraine on issues of dividing the Black Sea Fleet ended 9 June. The sides were led by Ukraine's Deputy Prime Minister Valeriy Shmarov and Yuriy Dubinin, Russia's ambassador-at-large.

According to Shamrov, the current round was marked by a desire to find a compromise decision to solve the Black Sea Fleet issue. "After an agreement in principle was reached on dividing the fleets, specific lists of ships and vessels as well as the infrastructure subject to division were determined, and also a basis was laid down for a document which outlines the status of the base of the Russian Black Sea Fleet," Shmarov said.

In the opinion of one of the members of the Ukrainian delegation "the progress at the negotiations was slow and one might expect them to become more lively after the 26 June presidential elections."

As presidential representative in Sevastopol Mykola Hlushko said in an interview with UNIAN, uncertainty, as far as the location of the Black Sea Fleet main base is concerned, hampers the division of the coastal infrastructure. According to him, the Russian side insisted that Sevastopol be selected as the main base. The local authorities, remarked Hlushko, were more inclined to agree with the proposal of the Ukrainian side: to determine that the Black Sea Fleet main base should be not Sevastopol as a whole, but that the base should be in the city of Sevastopol, i.e. on its territory.

Hlushko emphasized that today only Ukraine renders financial aid to Sevastopol: [word indistinct] to the value of 50 billion karbovantsi were allocated by the government to maintain the city, 33 billion karbovantsi of target aid were extended on a nonrepayment basis to finish the construction of purification systems at the Mezhgornyy water reservoir. On 8 June Sevastopol received target credits to the value of 50 billion karbovantsi (at the interest rate of 123 percent for a term of 40 days) to purchase foods products.

Replying to a question from the UNIAN correspondent on whether the city authorities would change their stand after the 26 June elections, Hlushko expressed his conviction that the development of relations between Sevastopol and Kiev along other ways is unrealistic.

The president's representative in Sevastopol mentioned the sum Russia would have to pay for the possible rent of the land and the immovable property of the Black Sea Fleet—2.5 trillion [as received] karbovantsi per annum. This money would be channelled to the city budget exclusively. Hlushko believes that a separate agreement between the governments of Ukraine, Russia, and Crimea with the participation of Sevastopol should

stipulate the annual sum to be paid by Russia for the development of the city's infrastructure.

In an exclusive interview with UNIAN, the Ukrainian Naval Forces commander, Volodymyr Bezkorovaynyy, pointed out that at the next round of negotiations attention would be paid to the infrastructure only, because "the issue on the division of ships and vessels has been solved." The vice admiral also emphasized the importance of noninterference on the part of the destructive forces at present, so that the "work done by the delegations would not be accelerated artificially by rallies and provocative statements."

Answering a question from UNIAN, the head of the Russian delegation said that the sides are working on an agreement, which could be signed at the top level (presumably, at the level of prime ministers).

In the near future the negotiations will be continued by the delegations in their present composition, possibly in Moscow, although the Ukrainian side insists that they should be held beyond the borders of Russia and Ukraine.

Kravchuk on Intent To Possess High-Precision Arms

MK1006091694 Moscow KOMMERSANT-DAILY in Russian 10 Jun 94 p 4

[Report by Ustin Gritsenko: "Black Sea Fleet Talks: Leonid Kravchuk Retreats But Does Not Give Up"]

[Text] It has become possible in the course of the ongoing "Black Sea Fleet division" talks to produce a draft agreement under which Russian ships would after all be deployed in Sevastopol. Kiev, according to Russian Ambassador to Ukraine Leonid Smolyakov, agrees to this in principle. But Leonid Kravchuk, forced to make concessions that do not add luster to his image as a "patriot," put forward a new slogan in the course of his Zhitomir tour. In his words, "instead of nuclear missiles Ukraine intends to have high- precision arms."

The latest round of Black Sea Fleet talks discussed the division of not only the bases but also the shore-based infrastructure. By the start of the discussions that moved from Sevastopol to Kiev, the experts did a certain amount of work: according to Admiral Feliks Gromov, commander in chief of the Russian Navy, the parameters in accordance with which the division of ships will take place "have been basically determined" already by both the experts and the economists. Members of the delegations were briefed on the results of this work. Some, of course, had more ideas "up their sleeve," hearing which Adm. Gromov thinks "different points of view on separate questions cannot be ruled out." Agreement on Sevastopol, though, was on the whole sewn up. In the program of further talks is the division of the remaining naval bases along the Crimean coast.

Considering perhaps that the talks on the Black Sea Fleet would hardly be over by 26 June (election date), Kravchuk avoided serious statements about dividing the fleet. But on the other hand, he told the officers and cadets of the Zhitomir Air Defense Radio Electronics Higher Military School about new prospects of boosting the republic's military might. He pointed out that in Ukraine (as also "both in Russia, and in the United States") "scientific exploration" is under way to develop some sort of "high-precision weapon with assigned parameters." Leonid Makarovich [Kravchuk] did not go into details, hinting vaguely that this weapon "is capable of engaging installations that carry danger, and of protecting from weapons of mass destruction, nuclear weapons included." It is this secret weapon that Ukraine intends to add to its arsenal "instead of the nuclear missiles that are being destroyed." Interestingly, Kravchuk divulged this "military secret" attesting to the president's tireless care about the army and the military-industrial complex precisely in the home stretch of the election race and precisely before the grateful audience of a military school. In the course of the Zhitomir tour, however, he also found what to say to the workers of a woodworking combine (prospects of the sector's growth), and to those who work in agriculture (also prospects, but those concerning agriculture). Should Kravchuk continue to concentrate on similar problems (avoiding the less than advantageous subject of the Black Sea Fleet) there may appear a chance for Russia and Ukraine finally to agree about the fleet.

Israel To Sign Cooperation Document 16-17 Jun

LD0906190094 Kiev UNIAN in Ukrainian 1530 GMT 9 Jun 94

[Text] Kiev, [no dateline as received]—The embassy of the State of Israel in Ukraine has informed UNIAN that it is planned that a document, drawn up in Kiev between 6 and 8 June by an Israeli delegation, led by the Uri Barner, deputy director general for cultural and scientific relations of that country's external political department, will be signed during Israeli Foreign Affairs Minister Shimon Peres's official visit to Ukraine on 16-17 June. This is a cooperation program between Israel and Ukraine in the culture and education sphere, aimed at implementing the agreement on cooperation in the above field, signed in Jerusalem on 12 January 1993. The program plans specific cooperation in education and culture (cinema, theater, music, fine art, literature, museums, archives), science, sports, TV, and radio, as well as exchanges of students, youth delegations, and specialists.

Schedule for Repayment of Debt to Russia's Gazprom

LD0906121894 Moscow INTERFAX in English 1039 GMT 9 Jun 94

[Text] Ukraine said that in June it would pay $130 million to the Russian Gazprom joint stock company in

accordance with the schedule for payment of the Ukrainian debt for natural gas delivery. The schedule was approved on 3-4 June during the visit of the Russian delegation headed by Gazprom Chairperson Rem Vyakhirev to Kiev, the Ukrainian Ukrgazprom joint stock company told INTERFAX- Ukraine.

During June-August 1994, Kiev will pay to Gazprom $500 million and will deliver goods and services costing 500 billion rubles in order to pay its debt for Russian gas.

The total Ukrainian debt for Russian gas delivered during 1993-94 was fixed in a protocol of 1 June 1994. The debt is more than $1 billion.

Russia sells gas to Ukraine for the price of $50 per 1000 cubic meters.

During the visit the directors of Gazprom and Ukrgazprom signed an agreement on construction and purchase of dwellings and other social facilities on Russian and Ukrainian territory in order to cover a part of the Ukrainian debt for the delivered gas. In accordance with the agreement, Ukrainian companies will build on Russian territory 308,700 square meters of housing for Russian gas industry workers.

National Affairs

Crimean Crisis Said Caused Partly by Lack of Reforms

WS0906113294 Kiev HOLOS UKRAYINY in Ukrainian 4 Jun 94 p 5

[Report by Nataliya Filipchuk: "When It Is Time To Hurry Up...."]

[Text] Finally the emotions stirred by Crimea calmed down a bit and politicians began to ponder: When did the Crimean problem emerge? Was it in 1783 when the Crimea was annexed by the Russian Empire or in 1954 when the devastated peninsula, lacking a national affiliation, was handed over to Ukraine, which played the role of an intensive care unit? Or, was it in 1991 when Ukraine permitted the referendum and then acknowledged Crimean autonomy thus planting a time bomb? What is the underlying cause of the Crimean problem, how should it be resolved, and what consequences can it produce—these were the central questions asked at a press conference called by the group of strategic researchers, "Young Europeans for Security," (the Institute of Strategic Research), the Mejlis of the Crimean Tatars, and the "Reforms" Ukrainian Supreme Council deputies' group.

In the opinion of Refat Chubarov, leader of the Kurultay faction at the Crimean Supreme Soviet, the Crimean problem emerged when it was separated from the problem of the Crimean Tatars. This is why it needs to be resolved based on these people. Chubarov believes that this is possible when three conditions are met: the legal basis, money, and stability at the Crimean peninsula. Only, how can it be achieved? By turning a blind eye on illegal actions of the Crimean parliament and accepting relations between Ukraine and its integral part on a treaty basis? Politicians advocating this option make a mistake. There is no guarantee that in half a year, those treaties will not be unilaterally broken.

Chubarov cited a draft appeal by the majority in the Crimean parliament to the Russian State Duma that said: "The Crimean Supreme Soviet counts on decisive actions taken along with the State Duma regarding the final determination of the Crimea's status as part of Russian Federation." Obviously, the far-reaching plans of the present Crimean parliament cannot be changed even by an agreement between Ukraine and Russia on the Black Sea Fleet (if one is possible any time soon).

In this situation, the Ukrainian Supreme Council ought to assume full powers and responsibility for resolving the conflict. As for practical implementation of decisions by the Ukrainian parliament, the Crimean people, perhaps the most powerful force in the Crimea upholding the Ukrainian interests, is willing to handle this issue. "The Crimea's native people must be returned to their homeland, and they will decide about the future of the peninsula," Mustafa Dzemilev, head of the Crimean Mejlis, stated at a press conference. But of 492 billion karbovanets [K] in capital investment and the K197 billion allocated from the Ukrainian budget, Crimean Tatars have so far received only K100 billion. This makes Turkey's assistance in financing and building 1,000 apartments even more valuable and timely.

However, may be for the first time ever, the problem was raised at the press conference of Ukraine's weakening control over the Crimean economy and on privatization, in particular. In the words of Vyacheslav Shved, an expert from the strategic research group, Russian capital intensified its influence in the region. For example, Russian corporations "Twentieth Century," "Arbat-Moscow," "Alpha Capital," and others surprisingly quickly buy out Crimean assets, capturing 10 to 15 percent of all sanatoriums. By the end of 1994, according to Meshkov's edict, it is planned to privatize 19 enterprises key for the Crimean economy, including ports. There is no guarantee that this Ukrainian property, too, will not change its "citizenship."

The most regrettable thing is, as deputy Viktor Pynzenyk, leader of the "Reforms" legislative group, noted, that although it was an illegal action, Meshkov was right signing this and other edicts concerning taxes, currency regulation, and the banking system. Ukraine has no laws that would provide enterprises with free access to currency and credits and that would not hinder privatization. The Crimeans very deftly shifted emphasis from economy to politics, covering at the same time their tails by progressive, if not perfect, reforms.

So, it is obvious that the Crimean problem was caused by many reasons and has many solutions. Yet another one

was proposed by Ukrainian President L. Kravchuk during a meeting at the Ukrainian Supreme Council: one should straighten out relations with Russia. The most important thing is not to miss the chance, even though they say "hurry without haste." But does it really have to be that way in all our history?

Crimean Deputy Premier Views Conflict With Legislature

WS0906112894 Simferopol KRYMSKAYA PRAVDA in Russian 2 Jun 94 p 1

[Report by O. Volodin: "Only Together Can We Work Efficiently"]

[Text] Participants in the briefing held by Crimean Deputy Prime Minister Ye. Saburov on 28 May for media representatives assessed the events in the Crimean Supreme Soviet of the previous week when a number of deputies protested against the government's program, without even reading it.

Ye. Saburov read a statement calling the incident "a constitutional coup exemplified by the legislature's desire to replace the Executive Branch." According to the deputy prime minister, this scenario is identical to the developments in Moscow, cited by Saburov, when the former Russian Supreme Soviet embarked on a path of dangerous opposition against the Executive Branch represented by the president of the Russian Federation. Meanwhile, the paradox of the Crimean situation lies in the fact that numerous members of the Russia deputies' bloc opposed President Meshkov, those very people who used to pledge their loyalty to the president a while ago.

Saburov believes the banal fight for ministerial portfolios to be the primary cause for the parliamentary "mutiny." It is understood that the Russia bloc has the right to recommend its candidates for the posts in the Crimean Government. However, the deputy prime minister maintains that he is ready to consider only the candidacies of highly-competent professionals.

The views of the Crimean president on personnel issues coincide with those of Saburov. Unfortunately, their opponents in the legislature take an absolutely different approach. That is why they are persistently supporting the myth of the "invasion of bureaucrats from Moscow," despite the fact that only five Muscovites are actually working in the government.

The deputy prime minister rejected the accusations by lawmakers who claim that the government has no distinct program for overcoming the crisis. Saburov pointed out: "We have already started implementing this program despite the clandestine sabotage by a number of senior officials, including the management of Crimea's National Bank. Due to the fact that the latter refused to obey the Crimean president's edict granting local enterprises the right to sell currency at market prices, Crimea has probably lost several million dollars. The implementation of the program is also being upset by populist claims by a number of deputies who are demanding "liberalization" of taxes, in disregard of the fact that the government is facing grave difficulties financing the Crimean budget."

Putting spokes in the government's wheels in the current critical period, planting a mine under the relations between the president and the legislature of Crimea, the people's deputies, according to Saburov, push Kiev officials toward harsh measures against Crimean autonomy.

Asked by a KRYMSKAYA PRAVDA reporter about possible measures to be taken by the government in case the Supreme Soviet takes no steps to meet the Executive Branch half-way on personnel issues, Saburov briefly answered: "The government will continue to perform its duties proceeding from the interests of the people of Crimea." He strongly recommended the legislature not to stand in the government's way and to finally get down to serious lawmaking. Saburov stressed: "Only together can we work efficiently."

Kravchuk Has Measures If Crimea Fails To Align Legislation

LD0906184294 Moscow INTERFAX in English 1809 GMT 9 Jun 94

[Text] Ukrainian President Leonid Kravchuk submitted to parliament his proposals on measures to be taken if the Crimean parliament fails to bring its legislation in line with the Ukrainian Constitution, head of the presidential press office , Nikolai Mikhalchenko, told INTERFAX-Ukraine. However, he declined to indicate what measures were proposed by the president.

"What happens next depends on the parliament. The Ukrainian parliament is responsible for relations with Crimea, and the president has no powers to interfere," he added.

Kravchuk Campaigns in Kharkov, Criticizes Legislature

WS0906134794 Kiev KIYEVSKIYE VEDOMOSTI in Russian 8 Jun 94 p 3

[Report by Serhiy Rakhmanin: "Leonid Kravchuk's Kharkov Pilgrimage"]

[Text] President Kravchuk's voyage to Kharkov Oblast on the eve of elections is not accidental. Many politicians and sociologists believe this region to be the domain of Leonid Kuchma, that is why Leonid Kravchuk and his team are going to face strenuous work with the Kharkov electorate. One cannot rule out that the visit to the former Ukrainian capital was to some extent prompted by the need to talk to local administration head Oleksandr Maselskyy whose name was included in the "secret lists of presidential candidates."

In the course of his visit to one of the largest Ukrainian oblasts, Leonid Kravchuk met with the managers' corps

of agricultural machine-building enterprises, agrarians, and workers of the gas complex. It is quite natural that under the extraordinary circumstances—it is not every day that the head of state comes on a visit—complaints, requests, and suggestions were received and, in some cases, passed for consideration to the National Bank Chairman Viktor Yushchenko, Minister of Agriculture Yuriy Karasyk, Minister of Economy Anatoliy Holubchenko, and other accompanying members of the president's apparatus.

The state leader did not omit political issues. He paid lip service to the new Supreme Council adding that the latter would be unable to resolve any serious issues: "All they can do is squabble." He hinted that deputies, absorbed in political battles, have no time to think of the people. He said that he was sorry to see the few good things that have been created, turning to dust: "We introduced the post of presidential envoys in the provinces. Hardly have these people managed to gain weight when a hue and cry was raised: 'That post is a hindrance, let us go back to the past.' Meanwhile, they mean a worse version of this 'past'." He criticized those political forces that make profits on speculations about people's hardships: "So far, I have not seen people in Ukraine who either starve or wear rags."

Mr. Kravchuk called on the Kharkov residents to go to the ballot and elect professionals with statesmanlike mentality. Leonid Kravchuk rejected the claims that he is blocking the process of restoring economic ties with Russia, saying that Ukraine has acceded to all the appropriate CIS documents and signed all the necessary agreements with Russia. Those agreements do not yield results simply because mechanisms for their implementation do not exist and "everybody is upholding their own interests." Those "ardent internationalists" that accuse Leonid Kravchuk of being a nationalist, do this just to win cheap prestige.

The president pointed out: "With regard to the economic union with Russia, I have no powers to sign it for there exists an appropriate Supreme Council resolution. I should not be blamed for this. Once the legislature rescinds its reservation I will sign an agreement."

Leonid Kravchuk bitterly criticized the idea of a Slavic union and deemed the plans to form this kind of structure a provocation and an attempt to change the borders and thus, cause a war.

Crimean Rossiya Bloc Splits Over Talks With Kiev Deputies

WS1006085994 Lvov POST-INFORM in Ukrainian 1100 GMT 9 Jun 94

[Text] On 7 June in Simferopol, the Crimean Supreme Council held its regular plenary session, at which it discussed a document produced by a working group of Ukrainian and Crimean deputies.

The session definitively confirmed the division of the "Rossiya" bloc into the "Rossiya" (around 40 people) and "Respublika" (10 people) factions. The former approved the document, in which "Respublika" members termed its position as "treacherous."

It was decided to consider the document and to submit it to the Crimean Supreme Council Presidium for discussion.

Meshkov Objects to Kiev's Interference in Internal Affairs

MK1006082094 Moscow SEGODNYA in Russian 10 Jun 94 p 1

[Report by Konstantin Parishkura from Kiev: "The Crimea President Has Demanded That the Ukraine Deputy Internal Affairs Minister Be Recalled From the Peninsula"]

[Text] In a telegram to Andrey Vasilishin, head of the Ukraine Internal Affairs Ministry, Crimea President Yuriy Meshkov objects to interference in the peninsula's affairs: "Your deputy, Colonel General Nedrigaylo, is undertaking actions aimed at demoralizing the officers of the Crimea Ministry of Internal Affairs, which manifest themselves in an attempt to encourage them to abandon their duties. I demand that Col. Gen. Nedrigaylo and his entourage be recalled immediately."

Crimea Criticized Over Interior Ministry Controversy

WS1006104694 Kiev Ukrayinske Radio First Program Network in Ukrainian 1400 GMT 10 Jun 94

[Text] ITAR-TASS reported today that at a meeting with employees of the Interior Affairs Ministry, the head of the Crimean parliament, Tsekov, called on them not to accept jobs at the Crimean Main Interior Affairs Administration at the Ukrainian Interior Affairs Ministry. The Crimean Supreme Soviet, he declared, will do its best to preserve the Crimean Interior Affairs Ministry and ensure its operations. This will be done, Tsekov continued, by raising taxes and introducing other unpopular measures, including lifting state subsidies for bread. I asked Militia Colonel Ivan (Leskiv), chief of the Main Public Relations Department at the Ukrainian Interior Ministry, to comment on the ITAR-TASS report.

[Begin recording] [(Leskiv)] Let me remind you that on 18 May, by edict of Ukrainian President Leonid Kravchuk, the Crimean Interior Affairs Ministry was reorganized into the Crimean Main Interior Affairs Administration within the Ukrainian Interior Affairs Ministry. However, some Crimean politicians are bluntly ignoring this legislative act. The Main Public Relations Department at the Ukrainian Interior Ministry is convinced that the above declaration will result only in further embroiling the militia in the political [word indistinct]. It is clear what a heavy burden those ill-considered decisions can prove for Crimean residents—and not only

for them. [words indistinct] because at present, the Crimea is virtually funded by the Ukrainian budget, consuming more than it produces. As for the newly created Main Administration, it has been financed by the Ukrainian Interior Affairs Ministry budget from the beginning. It receives the necessary equipment to ensure normal operation of all the Crimean Interior Affairs bodies and subunits. This is why high-ranking officials reacted with surprise to the declaration and, even more so, the speed with which the Russian media reported it. This by no means promote will promote unity and cohesion among the ranks of Interior Affairs Ministry employees or lower the already high crime rate in the Republic.

Over the past five months, the crime rate rose more than 14 percent in the Crimea. Violence accounts for a considerable part of all crimes committed. This type of crime has risen by 326 percent, while arrests have decreased. Street and group crimes increased substantially. Every second robbery and every fourth assault or case of hooliganism were committed on the streets and in other public places. Almost half the crimes were committed by citizens under the influence of alcohol. With the militia distracted from performing its duties and the political interference in the operations of the Crimean Interior Affairs Administration, criminals are becoming even more arrogant. This causes concern and anxiety not only for the Crimean population, but also for the entire Ukraine.

Hoping for success of the negotiations initiated in the Crimea, one would like to be confident that at this complicated and crucial time, the Crimean president and Supreme Soviet will display political wisdom and foresight in legally resolving the artificially created problems in regard to the Interior Ministry. [end recording]

Sevastopol Receives Loan To Cover 'Urgent Needs'

PM0906095394 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 9 Jun 94 p 1

[Report from RIA, POSTFACTUM column: "Sevastopol Gets Loan"]

[Text] Sevastopol City Council has received a letter from the Ukrainian Finance Ministry reporting that it has allocated a soft loan of 50 billion karbovantsi to meet the city's urgent needs in the second half of 1994.

Belarus

Public Bodies Urge Candidates To Annul Viskuli Agreements

WS0906130494 Minsk Radio Minsk Network in Belarusian 1000 GMT 9 Jun 94

[Text] A RID reporter has learned that the Republican and Minsk City Councils [as heard] and the Movement for Democracy, Social Progress, and Justice have issued appeals to presidential candidates Dubko, Kebich, Lukashenka, and Novikaw.

The statements, in particular, urge the candidates to annul the Viskuli agreements [leading to the dissolution of USSR], to halt the (?capitalist) path of development of the Republic, to strengthen and develop the soviets as organs of genuine power of the people, to abolish the presidency, to terminate the privatization of the all-people ownership, to liquidate the existing state symbols by 3 July 1994, to recognize the equal rights of the Belarusian and Russian languages, and to restore the holiday on 7 November [the day when the socialist revolution was held] in their election programs.

Fraternal Union With Russia, Ukraine Inevitable

LD0906194394 Moscow ITAR-TASS in English 1846 GMT 9 Jun 94

[Report by BELINFORM correspondent Viktor Sakhankov for TASS]

[Text] Minsk, 9 June—Speaking on Wednesday [8 June] evening before representatives of workers' collectives in the city of Mogilyov, prime minister of Belarusia Vyacheslav Kebich expressed confidence in the inevitability of a durable alliance between the three fraternal peoples of Russia, Ukraine and Belarusia. He believes this is determined by the historical necessity to live together, the economic interests and ancient cultural ties.

Belarusians cannot and will not be spongers of Russians while participating in inter-state division of labor and cooperating with them on a mutually advantageous basis in all spheres of life, the premier noted.

The agreement on the unification of the monetary systems of the two countries is the first step towards a closer alliance, and the head of the Belarusian government is doing everything in his power to put into practice these aspirations of the peoples of both countries.

Touching on national minorities in sovereign Belarusia, Vyacheslav Kebich said that for him such a term was unacceptable. People of different nationalities live in Belarusia and there cannot be any pretext for inter-ethic strife, the Belarusian prime minister emphasized.

BPF Leader Sees Russia as Enemy of Independence

LD0906205594 Moscow ITAR-TASS World Service in Russian 1601 GMT 9 Jun 94

[Report by BELINFORM correspondent for TASS]

[Excerpts] Minsk, 9 Jun—"Being an enormous Eurasian state with a history and ideology of an empire, Russia has always been, is now, and ever will be the enemy of Belorussia's [Belarus] independence and of our freedom, whatever disguise it may be wearing," maintains Zenon Poznyak, the leader of the Belorussian People's Front [BPF], who is competing for the post of the first president of the Republic. An interview with him appeared today in the newspaper SOVETSKAYA BELORUSSIA.

At the same time, the BPF leader is promising that if he wins the elections scheduled for 23 June, he will adhere to a "friendly but firm policy" in relations with Russia, and is by no means going to force Russians out of the republic. [passage omitted]

The other five candidates for the presidential post associate the future of Belorussia with close and warm relations with their "eastern neighbor."

Kebich Outlines Government Policy Toward Minorities

WS1006110194 Minsk RESPUBLIKA in 7 Jun 94 p 1, 2

["Theses" of speech by Prime Minister Vyachaslaw Kebich delivered at the inauguration of the Center of Ethnic Cultures on 3 June 1994: "There Will Never Be Second-Rate People in Belarus"]

[Text] Dear compatriots!

I want to use today this simple and, at the same time, meaningful phrase that unites us all—citizens of the Republic of Belarus!

All of us in our young sovereign state should aim for a single goal and desire—to realize ourselves and become forever a single nation of Belarus.

While looking in the statistical data, one may easily see that Belarus is a multinational state. Almost one-third of its population is comprised of Russians, Ukrainians, Jews, Lithuanians, Poles, Tatars, and other nationalities.

Our policy is based on respect with regard to all nationalities living in the territory of the Republic. Creating the model for our new statehood, we have laid fundamental principles of the relations between the state and all nationalities. These are: civic equality, social equality, economic, and political guarantees for every resident of the Republic, regardless of nationality, rights to national cultural development, and many others.

Now, inaugurating our cultural center, I have remembered an idea from ancient philosophers: "A nation is strong because of its people!"

It is a great happiness when the social and historical foundations of one nation is interwoven with the cultures and traditions of many ethnic communities. This enriches the intellectual life of the entire society.

As a matter of fact, we cannot put artificial national barriers between us today.

In our Republic, over half of the marriages are mixed; past, present, and future generations are closely joined by blood and cultural affinity.

However, every one of us has an undeniable right (and a holy right, as well) to preserve his or her national heritage, historical culture, and spiritual values.

The guarantor of all this is the state—sovereign and multinational in its essence.

These guarantees are set forth in our Constitution and laws.

They include the right to education in native language, the right to follow one's national cultural tradition, and the right to national and political equality.

All this is important, not only in a physical aspect. We are faced today with the difficult task to find a way out of the economic crises. This task can be resolved only by our joint efforts. Only a nation that holds together the best sources of various national cultures, common intellectual life, and civic accord, is capable of resolving such a problem.

I, being one of the state leaders, can see all these problems very clearly. Therefore, the government continues to render assistance to all ethnic cultural associations.

Yes, I am a supporter of dual citizenship. Not everything is simple in this issue. However, I think that one will feel oneself more stable socially if the issue is resolved this way. This is a very democratic and civilized norm. Yet there are opponents. You know who they are.

One more argument. Over 3 million Belarusians are living outside of our Fatherland. They are true sons and daughters of Belarus. They have the right to possess the citizenship of their Republic.

I also rule out a possibility of the partition of our society due on the principle of the indigenous nation and national minorities.

Dear fellow-citizens!

We undoubtfully need a network of such centers, as this one being inaugurated today, in other regions of the Republic. We must render governmental assistance to multinational system of publishing. It is necessary to broadcast special programs for the nationalities on radio and television.

It is necessary to create kindergartens, classes, and schools namely for the nationalities. This is not an infringement on Belarusian language, education, and culture.

This is a logical and natural process in the life of a civilized and multinational state.

These days, one may often hear that there is nothing wrong in the word "nationalism." Is it a good word? The point is not in the ideas themselves, but in that what is behind these ideas historically. We know very well, and remember, that this means woe, tears, interethnical conflicts, human blood...

I did not even mention fascism.

There is, and will ever be, no roots of nationalism in Belarus. Here live different peoples—of great spirit and philanthropy.

This is a country where nobody will be able to impose on the people the shameful norm of taking on employees according to the percentage of nationalities; there will also never be second-rate people in Belarus. Our people are capable of cutting off any shoots of nationalism and put them into historical rubbish!

National cultural problems also include those of religions. We have over 20 religions today. Understandably, there are numerous religions, as well as small ones.

The matter is in something else. The issues of national accord go well back to the high principles of divine morals. It is not important what your religious beliefs may be. It is important how you honor those principles. I would not like discuss politics today. The best politics—I am sure that you will agree with me—is to accomplish a concrete business.

For example, the creation of our cultural center is a good foundation for future business.

The center will be visited by both adults and children. It will be a source of what can be called by one good word—the Motherland.

We have a custom of giving presents on such momentous days. As a matter of fact, this center is a present from the government and our good-willed veterans who amiably agreed to make room for the cultural center in their place.

However, I am of different stock. I prefer to feel myself a debtor, in the good sense of the word, with regard to the development of ethnic cultures and interethnic relations—it opens a permanent perspective for resolving new tasks and problems in this direction.

Thank you for your attention and I wish you every happiness in your new home!

Kebich Believes Government 'Should Bridle Price Formation'

WS1006090294 Minsk Radio Minsk Network in Belarusian 0300 GMT 9 Jun 94

[Text] Prospects for development, privatization, price formation, and other issues were discussed at a Republican seminar- conference on trade issues. Head of the Belarusian Government Vyachaslaw Kebich delivered a report. Speaking about prices for goods, the prime minister stated that the government failed to stabilize them thus far. The key reason is an exterior factor, however, the minor reason is that trade also had its own expenditures. Many middlemen—boosting prices—have emerged. Their numbers can and should be minimized. According to the prime minister, the government should bridle price formation through the Department for Prices.

The head of the government also met yesterday with the working collective of the Kirov factory.

Prices for Main Foodstuffs Decreased by 15 Percent

WS0906143294 Minsk Radio Minsk Network in Belarusian 1000 GMT 9 Jun 94

[Text] Beginning today, the Cabinet of Ministers' resolution has decreased prices for certain foodstuffs by 15 percent. By issuing this resolution, the Cabinet of Ministers took control over mark ups and reduced all of them to (?10) percent which enables customers to save a small sum of money.

For example, the price for sausages, which stood earlier at 28.700 rubles [R], decreased by R4.500. Beef became cheaper by R3,000 and pork—by R3.500. Beginning today, prices for bread and flour products, meat offals, and butter—which were sold at market prices—have also been changed.

Former Parliament Chairman Promises Economic Recovery

LD0906192194 Moscow INTERFAX in English 1519 GMT 9 Jun 94

[From the "Presidential Bulletin" feature: Compiled by Nikolai Zherebtsov, Andrey Petrovsky; edited by Vladimir Shishlin]

[Text] Former chairman of the Belarusian parliament Stanislav Shushkevich promised that if he were elected president, the country would overcome the crisis in early 1995 and an economic recovery would start in 1996.

His electoral platform says that he would initiate reforms, which should cut the monthly inflation rate to 7 to 10 percent against the present over 40 percent.

Under a plan his team have developed, within six months the average citizen would earn $100 to $150 a month against the present $3.

Shushkevich and his supporters want to create as soon as possible a private sector and to improve the management of the state sector. The platform says that the private sector would put the economy on its feet, create competition, lead to a restructuring and modernization, make the economy work for the people and create jobs.

Shushkevich promised he would use to the maximal advantage of the Republic's geographical position of a bridge between Russia and Western Europe, Ukraine, and the Baltic countries. He thinks that it is necessary to carry out a national program of encouraging the export that would facilitate transformation of the traditional markets in CIS member nation into those where international competition is welcome.

Once he became president, Shushkevich would reduce the import of fuels and grain and use customs tariffs to encourage the import of technologies and equipment.

The platform offers free choice between the kinds of land ownership such as collective farms, state farms, individual farms, cooperatives and farm product processing society. It says that mechanisms had to be developed under which state-owned land would be rented and efficiently operating collectives or citizens could take it over from bankrupts. Only a land tax would be levied, eventually. The platform calls for demonopolization and privatization of the agrarian service and the processing industry with the participation of agricultural producers in the process.

Shushkevich also intends to change radically the budgetary and taxation policy. He is convinced that heavy taxes are the outcome of government overspending. He would have the state expenses cut by one third but would maintain if not increase the expenses for education, science, culture, public health, and elimination of the consequences of the Chernobyl disaster.

Shushkevich would also increase the real estate tax, transit tariffs and duties on import of luxury goods and resolve the payment crisis by introduction of promissory notes which would become securities.

The reforms would enable the private owner to become the engine of the economic growth and stability. Thousands of small- and medium-size companies engaged in production of foodstuffs and consumer goods would spring to existence within a year, the platform argues. It expects the economic freedom to trigger an investment and construction boom in the manufacturing industries. New roads and communication lines as well as cottages would be built. As a result, the building material industry would flourish. The investment policy and the possibility to use the privatization money locally would step up business activities in every part of Belarus. The tax and subsidy reduction would enable redistribution of the cash in favor of the consumers with a significant increase of grants, pensions and wages concurrently with production increase.

Shushkevich promised he would immediately stop inflation and set up a working financing system using a convertible currency. If Russia did not agree to an equitable merger of the monetary system, Belarus would introduce its own currency. A strong currency would put a stop on the price rises, provide stability and confidence in the future.

Bank Releases Report Regarding Indexation of Deposits

WS1006090594 Minsk Radio Minsk Network in Belarusian 0300 GMT 10 Jun 94

[Text] The Savings Bank of Belarus issued a report for Supreme Soviet consideration concerning [word indistinct] the indexation of individual deposits. This document is a reply to Prime Minister Vyachaslaw Kebich's statement regarding the necessity to issue 100 percent compensations for people's depository losses prompted by inflation.

According to experts' estimates, over 1 trillion rubles is required to cover the losses—caused by the devaluation of individual deposits—by 100 percent. It goes without saying that it is necessary to repay the population what it lost not through its own will, believes Alyaksandr Barkun, deputy chairman of the Savings Bank of Belarus. However, two issues—by exactly what sum the deposits will be increased and who will pay—remain unresolved.

Border Guards Recoup Half Costs in Seized Contraband

PM0906131594 Moscow KRASNAYA ZVEZDA in Russian 8 Jun 94 p 2

[Colonel Valeriy Kovalev report under "News From the Regions From Our Correspondents" rubric: "'Green Caps' Become 'Self-Financing'"]

[Text] Minsk—The Belorussian [Belarusian] Border Troops Main Directorate has summarized its operational results for the first five months of this year. The Border Troops Main Directorate informed KRASNAYA ZVEZDA's correspondent that during this period 948 violators had been detained, contraband goods worth 11.5 million rubles had been detected, the export of over 225 tonnes of nonferrous metals had been prevented, and 276 weapons and 81 kg of drugs had been seized. The border guards have returned $750,000 to the state treasury. This sum, converted into Belarusian rubles, equals half of the resources allocated to the border guard department from the state budget for the current year. So the republic's "green caps" are earning their keep.

Constitutional Court Deputy Chairman Meets With Military

WS1006093994 Minsk Radio Minsk Network in Belarusian 0300 GMT 10 Jun 94

[Text] Professor of Law Valeriy Tikhinya—who was recently elected deputy chairman of the Republican Constitutional Court—had to provide answers to many complicated questions during his meeting with officers and generals of the Defense Ministry Chief Headquarters.

Valeriy Tikhinya told the military about the first steps of the Constitutional Court, the difficulties which they have to overcome to make the higher court of the state a genuine lever for upholding lawfulness at all levels.

The experienced lawyer managed to detail the officers' rights in numerous vital sectors among which housing, social, and legal issues were the key ones.

Moldova

Dniester Leadership Complains Over Stalled Talks

LD0906162794 Moscow ITAR-TASS World Service in Russian 1446 GMT 9 Jun 94

[Report by ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Kishinev, 9 Jun—The Dniester Republic leaders have accused the Moldovan leadership of dragging out the talks on a settlement to the Dniester region issue, said a statement issued today in Tiraspol by the Dniester Republic president's and government's press service. The document claims that "the attempts made by Tiraspol to speed up the negotiation process, which was started with Russia's mediation, has again run into a silent blockade by Moldova, and President Mircea Snegur has in fact withdrawn from further talks."

In this regard Igor Smirnov, head of the Dniester Republic, has appealed to Ambassador Vladlen Vasev, plenipotentiary envoy of the Russian president, to exert all his influence on Mircea Snegur. The statement also underlines that the inhabitants of the left bank of the Dniester river have postively assessed the joint statement by the leaders of Moldova and the Dniester Republic on finding a settlement to the aftermath of the armed conflict, which was signed at the end of April.

At a time when President Igor Smirnov is complaining about the lack of progress at the talks, State Secretary Valeriy Litskiy, chief coordinator at the talks from the Tiraspol side, discussed today with the CSCE mission in Moldova prospects of resuming the dialogue. They agreed that the talks could be continued in the near future following the return to Kishinev of Richard Samuel, head of the CSCE mission. The arrival of Vladlen Vasev, the special Russian envoy, is also expected then.

Kazakhstan

Nazarbayev Stresses Key Task To Fight Runaway Inflation

LD0906121094 Moscow INTERFAX in English 1039 GMT 9 Jun 94

[Text] Kazakh President Nursultan Nazarbayev believes that the Republic has no other alternative but to pursue the policy of market reforms and democratizing of society.

Speaking in the Kazakh parliament on Thursday [9 June], he emphasized that the country had to face a very heavy economic and social crisis. Nazarbayev suggested that reforms in the credit-bank sphere were the guidelines of the economic policy. He said that the key task was to fight down the run-away inflation and to strengthen the national currency unit.

Nazarbayev underlined that to carry out the policy on investments it was necessary that the inflation rate did not exceed 10 pct per month. He said that the inflation rate might decrease in autumn to 9 pct or 10 pct if a tough credit policy be carried out.

In March, the inflation rate in Kazakhstan was 17 pct. In April, it went up to 31 pct.

Nazarbayev insisted that all state expenditures be reduced except for the vitally important ones and that there be no more direct or hidden subsidies to enterprises.

He also considered it necessary to free prices for all goods and services, and for bread.

"The budget must be tough in what concerns its implementation," the Kazakh president pointed out.

Nazarbayev was against resignation of the Kazakh Government led by Sergei Tereshchenko. "All of us can be changed. However, there is no way to fool the natural laws. We will just defer the agony and waste the time," he suggested.

Nazarbayev announced that the government had worked out a new program of anti-crisis measures. The president is expected to confirm it in the near future. Over 15 months the government may have a carte blanche for implementation of its program.

Nazarbayev proposed that a coalition of supporters of the reforms be established, in which all powers and public and political organizations would participate. He stressed that an atmosphere of stability and national accord was required for realization of the planned reforms.

Nazarbayev demanded that the government work out a special program in order to put an end to migration from Kazakhstan for ethnic reasons. He suggested that a new law on languages must be adopted and the status of the Russian language be reviewed. The Russian language in Kazakhstan is that of inter-ethnic communication but not the second state one. The policy on personnel issues must also be improved.

The Kazakh president said that the issue on citizenship was still pressing. He believes that all handicaps for acquisition of citizenship when moving from one country into another should be eliminated.

However, Nazarbayev stressed once again that Kazakhstan would not accept dual citizenship since its introduction could deteriorate the situation with inter-ethnic relations in the country.

Commenting on his initiative on establishment of the Euro-Asian Union, Nazarbayev emphasized that the CIS must be transformed into a more efficient formation—"from the old irresponsible forms of integration to a totally new union." He suggested that the CIS peoples sought this but were hindered by the political elite.

Nazarbayev thought that the Euro-Asian Union could help to overcome the economic crisis and would be a guarantor for security of its member-states in the background of instability in the southern CIS.

Nazarbayev said that putting an end to military actions between the member-states of the future union would be one of the obligatory condition for those countries, which would like to join the Euro-Asian Union.

Nazarbayev in Favor of Transferring Kazakh Capital

LD0906171894 Moscow INTERFAX in English 1536 GMT 9 Jun 94

[Text] Kazakh President Nursultan Nazarbayev believes that the republic's capital should be transferred from Alma-Ata [Almaty] to Akmola before the end of the decade. On Thursday he called on the Kazakh parliament to adopt such a decision. In Nazarbayev's opinion, the capital should not be situated near the border but rather in the center of the state. He also justified his proposal by the fact that Akmola is located at a point where the major ethnic groups meet (in Kazakhstan Russians live predominantly in the north and Kazakhs—in the south). In addition, Alma-Ata is situated in a seismic zone and is suffering from severe environmental problems.

Government Given Free Hand in Anticrisis Measures

LD0906161294 Moscow INTERFAX in English 1449 GMT 9 Jun 94

[From the "Presidential Bulletin" feature No. 110 (600): Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[Text] Sergey Tereshchenko's government will receive "a carte blanche" from the head of the state for the near 15 months to implement a tough program of anti-crisis

measures, President Nursultan Nazarbayev declared to the parliament Friday and stressed that he does not support the demand of the deputies corps on the Cabinet's resignation.

IF Note: Late May the Kazakh parliament voiced a statement on non-confidence in the social-economic and legal policy of the government. The document said that while declaring the course for the market economy, the Cabinet actually blocks it and this has resulted in an economic chaos in Kazakhstan. The Supreme Soviet also believes that until now the government failed to work out a national program for consolidation of the society. Commenting the demarche of the Supreme Soviet in his interview with INTERFAX, head of the Cabinet called the parliament's statement "unconstitutional." He emphasized that in accordance with the Constitution, the government is responsible only in the face of the president.

Nazarbayev reported to deputies that in the near term he intends to confirm a renewed program of anti-crisis measures prepared by the government.

He said that the country confronts the hardest economic and social crisis. In his opinion, reformation of the credit and bank system is the major direction which will ensure an optimal development of the economy, "stoppage of the running inflation and strengthening of the national currency" is the key task of the present moment.

Nazarbayev underlined that inflation should not exceed 10 pct a month in order the state could implement its investment policy. He deems it possible to lower inflation rate this autumn to 9-10 percent under a tough credit policy.

According to available information, inflation rate in Kazakhstan this March was 17 percent and in April it raised to 31 percent.

Nazarbayev insists to reduce all expenditures of the state "excluding the vitally important ones," to stop direct and indirect donations to the enterprises. He believes that it is necessary to recognize bankrupts the republic's unprofitable enterprises and to speed up privatization process.

In his opinion, it is also necessary to release prices for all kinds of goods and services and for bread.

"The budget should be tough in implementation," Nazarbayev underlined.

Nazarbayev commissioned the government to prepare a special program to stop migration from Kazakhstan due to national reasons. As he said, it is necessary to adopt a new decree on languages and to revise the status of the Russian language (in Kazakhstan it is the language for inter-ethnic association but not the second state language), and to remove drawbacks in the staff policy.

As Nazarbayev said, the issue on citizenship is as pressing as before. He thinks that it is necessary to remove all restrictions for citizenship in case of a transfer from one country to another one.

At the same time he reiterated that the dual citizenship is unacceptable for Kazakhstan because its introduction can make inter-ethnic relations in Kazakhstan more difficult.

Speaking about his idea to create the Euro-Asian Union, Nazarbayev pointed out that he deems it necessary to transform the CIS into a more efficient association—"from an old form of integration to a qualitatively new union." He indicated that all peoples of CIS countries strive for this but the political elite prevents integration.

Nazarbayev believes that the Euro-Asian Union will assist in surmounting the economic crisis and will become the guarantor of outer security for the members of the union against the background of instability on CIS southern boundaries.

Nazarbayev specially emphasized that cessation of hostilities between members of the union and creation of common peacekeeping forces are among obligatory conditions providing for entering the Euro-Asian union.

Nazarbayev proposed to create a coalition of reforms supporters which will unite all branches of power and public-political movements. Nazarbayev emphasized that it is necessary to create an atmosphere of stability and national and civil accord in order to implement the scheduled reforms.

Kyrgyzstan

Akayev Blasts 'Neck-Breaking' EU Loan Rates

LD1006095594 Moscow ITAR-TASS in English 0845 GMT 10 Jun 94

[Report by ITAR-TASS correspondent Boris Mainayev]

[Text] Bishkek 10 June TASS—Kirghiz [Kyrgyz] President Askar Akayev spoke about promised credits to his country with a radiant smile just a few weeks ago. However, his smile disappeared a few days ago after he completed his visit to Belgium and France on 4 June.

"I told the leadership of the European Community Commission (ECC)," Akayev said at a meeting with journalists after the European visit, "that their stiff conditions and interest rates are neck-breaking for the Republic."

The president called the ECC credit "holdup of a beggar." He told virtually the same to Indian foreign minister who visited Bishkek this week. The only difference was that he described the deplorable situation of his country.

The president said that Kirghizia [Kyrgyzstan] does not enjoy the same rating as neighbouring Central Asian countries, adding "Turkmenia [Turkmenistan], for

instance, is wallowing in petrodollars. The Turkmen president is building a palace worth 400 million U.S. dollars.

"On the other hand, I could only scratch $500 million all over Europe for a three-year programme for reforming the Republic," he stressed.

Kazakhstan, Akayev continued, leads the entire continent in the production of non-ferrous metals and is a member of the nuclear pool. Uzbekistan has large deposits of gas and oil. It annually produces over 100 tonnes of gold and harvests millions of tonnes of cotton.

Kirghizia is a poor country, the president repeated: 98 per cent of all energy resources are imported by it at prices which are 50 per cent higher than on world markets.

Akayev told journalists that he has been persuading the organisation for economic cooperation and development for two years to put the republic on the list of developing countries, since it needs easy-term credits to be repaid by instalments.

"We are a small but proud people," he added. "If we take a loan, we should be sure that we shall pay it in time."

Indian Minister Satisfied With Visit Results

LD0906142294 Moscow ITAR-TASS in English 1327 GMT 9 Jun 94

[Report by ITAR-TASS correspondent Boris Mainayev]

[Text] Bishkek 9 June TASS—Indian Minister of State for External Affairs Salman Khurshid expressed satisfaction with the results of his working visit to Kirghizia [Kyrgyzstan].

The minister said that all agreements, which are to be signed during Indian Prime Minister P.V. Narasimha Rao's forthcoming official visit to Kirghizia, are almost ready or in the final stage of completion. The Indian premier is scheduled to visit the Republic in the first half of July. The agreements will cover a wide range of bilateral relations between the two countries, from trade, economic, cultural ties to working out fast coordinated actions in fight against international terrorism and drug trafficking.

A group of Indian businessmen, who are accompanying the minister, finalized their priorities in cooperation with their Kirghiz counterparts. The Indians are interested in the possibility of setting up joint enterprises to produce medicine, process agricultural produce, dress leather, manufacture paper, extract minerals and create infra-structure and telecommunications networks.

Salman Khurshid said that the two sides have almost agreed to allot a supply quota of mercury, antimony, rare-earth metals and dressed leather and pelts to India. According to the minister, India intends to review the agreement's clauses about making investments in Kirghizia and crediting specific branches of its economy. This is being done to find a compromise and satisfy both parties, he said.

Tajikistan

Opposition Impeding Refugees Return From Afghanistan

LD1006082594 Moscow ITAR-TASS in English 0735 GMT 10 Jun 94

[Report by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe 10 June TASS—The leadership of Tajikistan informed military authorities of the Afghan province of Kunduz bordering on Tajikistan the Republic's profound concern of the attempts of extremists from among the Tajik armed opposition located there to prevent by force the repatriation of Tajik refugees from Afghanistan.

The refugees willing to return home are subjected to threats and acts of terror are also threatened against representatives of international peacekeeping organisations in the Afghan port of Shirkhan on the border with Tajikistan.

On Wednesday, 8 June, the compound of the mission from the U.N. supreme commission for refugees and a car were damaged by the explosion of a mine planted by the militants. Also on Wednesday, Russian border guards found and defused and explosive device on board a barge which was bringing 242 Tajik refugees home from the Afghan port, ITAR-TASS was told by Chairman of the Tajik Parliament's working group for the repatriation of refugees from Kunduz Takhir Akhmedov.

Akhmedov stressed that during a meeting with the deputy security chief of the province, Mr. Majidkhan, Tajik officials made it clear that they want the local Afghan authorities to detain and punish those guilty of the acts of terror, and ensure security of more than 200,000 Tajik refugees who are now in transit camps near Shirkhan and of employees of international missions.

Akhmedov said an official representative of the Kunduz military authorities assured the Tajik authorities that relevant measures would be taken to suppress acts of provocation.

As concerns the process of repatriation of Tajik refugees from Afghanistan, Takhir Akhmedov said that despite attempts by Tajik armed opposition in Afghanistan at preventing the return by force, the process is becoming irreversible. One thousand and fifty hundred refugees returned from Afghanistan to Tajikistan in the past two days alone. The total number of people who have returned home has exceeded 30,000.

Turkmenistan

President, Iran's Sarmadi Discuss Relations

LD0906140694 Tehran IRNA in English 1343 GMT 9 Jun 94

[Text] Moscow, 9 June, IRNA—Turkmen President Saparmurat Niyazov on Thursday [9 June] expressed satisfaction with Tehran-Ashkhabad relations and underscored the "importance" of cooperation between the two neighbors in the Caspian Sea.

Niyazov made the remarks in a meeting with the visiting Iranian Deputy Foreign Minister Morteza Sarmadi in Ashkhabad.

Sarmadi said relations between Iran and Turkmenistan were a model among other regional states and emphasized that bilateral relations could not only benefit both nations but could also play an "effective" role in maintaining security and stability in Central Asia.

The two sides also exchanged views on ways of implementing agreements previously reached between Iranian and Turkmen presidents in the holy city of Mashhad, outcome of Niyazov's recent visit to Indonesia and Malaysia, map of Sarakhs-Tajan railway which links Central Asia to east Asia and the latest developments in the Commonwealth of Independent States (CIS).

New Rules Envisioned for Foreign Oil, Gas Developers

MK0906130994 Moscow SEGODNYA in Russian 9 Jun 94 p 4

[Report by Mekhman Gafarly in the "Cooperation" column: "Turkmenia Revises Tactics Toward Foreign Investors. Now They Cannot Participate in Developing Old Oil and Gas Deposits"]

[Text] Mamed Beknazarov, Turkmenian [Turkmenistan] deputy oil and gas minister, has announced Ashkhabad's [Ashgabat] intention to revise the tactic of inviting foreign investors to exploit the country's oil and gas deposits, POSTFACTUM reports. According to Beknazarov, in the next few years foreign firms will be able to participate only in developing new, not exploiting old, oil and gas deposits, as has been the case up to now.

This August, he said, a tender will be organized in Ashkhabad for the right to set up a joint venture to prospect and develop oil deposits on the right-hand bank of the Amu-Darya and in the northern part of the Caspian. In the fall, a tender will be announced for the license to prospect and develop oil deposits on the shelf of the South Caspian basin. Beknazarov reported that more than 20 different companies have shown an interest in these projects, including Japanese, U.S., and British ones (Chevron, Arco, Exxon, and Enterprise Oil).

The Turkmenian side intends to offer tender participants "model contracts," i.e., agreements with unchangeable terms. In all likelihood, they will be concluded for 31 years and envision the payment of a bonus in the amount of $5 million for prospecting an area of 4,000 sq km, profit sharing between the joint venture and the state in the proportion of 65 percent and 35 percent respectively, and the payment of a profit tax of 25 percent and an export tax of 10 percent.

Furthermore, if over six years the company does not begin development of an area, then under the contract it will be returned to the state without any compensation.

According to Beknazarov, as the requisite geological materials are prepared, seven blocks will be presented for international tenders with overall resources of 12.64 trillion cubic meters of gas and 5.735 trillion tonnes of oil.

Armenia

Further on Grachev Talks With Armenian Leaders

LD0906112994 Moscow ITAR-TASS World Service in Russian 1021 GMT 9 Jun 94

[Report by ITAR-TASS special correspondents Tigran Liloyan and Mikhail Shevtsov]

[Text] Yerevan, 9 Jun—Siting of Russian military bases in Armenia, service by Armenian lads in Russian units stationed on the state's territory, and also conditions of bringing peacemaking forces into the region—these questions are at the center of attention at talks Russian Defense Minister Pavel Grachev has been having today with the Republic's leaders. He is making a working trip round the Transcaucasus.

As you know, at a meeting of military department heads of Armenia, Azerbaijan, and Nagorno-Karabakh with the mediation of Pavel Grachev, a protocol was drafted on the first stage of a settlement—cease-fire and disengagement of the sides. By the end of May, it was planned to introduce about 1,800 Russian peacemakers into the conflict zone, but the protocol was not signed by the Azeri side, which insisted that practically simultaneously with the disengagement of the forces Armenia should start freeing the Azeri territories it seized in the course of the conflict. This is the problem Pavel Grachev has to discuss at his coming meeting on 11 June in Baku with Azeribaijani President Heydar Aliyev.

Grachev: Bases To Be Set Up in Armenia

LD0906155494 Moscow INTERFAX in English 1449 GMT 9 Jun 94

[From the "Presidential Bulletin" feature, compiled by Nikolay Zherebtsov and Andrey Petrovskiy and edited by Vladimir Shishlin]

[Text] President Levon Ter-Petrosyan favours plans to set up Russian military bases in Armenia. This has been told to journalists by Russia's Defence Minister Pavel Grachev at the end of his private talks with Armenian leaders on Wednesday [8 June].

In Grachev's words, it will finally decided on Thursday how many military bases will be set up, and what personnel they would employ.

As INTERFAX has learned from a negotiator, Russia is looking forward to creating two military bases in Armenia: one for a motorized infantry regiment at Erevan, the other for a motorized infantry division positioned at Gyumri.

In Grachev's view, an appropriate agreement with Armenia will be signed by 1 September. "By then, Army officers must decide for themselves who will stay in Armenia and who will return to Russia," Grachev said.

Military experts believe that the issue on funding was crucial to the talks between Ter-Petrosyan and Grachev. According to a spokesman for Grachev, the Armenian leadership wish that Russia would pay for leasing the sites for its Army in Armenia. However, the Russian side insists on the free use of Armenian lands in military purposes.

Negotiations on that continued on Thursday.

During his tour of Caucasian republics, Grachev also plans to meet with Georgia's leader Eduard Shevardnadze to discuss with him the possibility of Russian military presence in that republic (presumably at Tbilisi, Akhalkalaki, and Batumi—IF). Besides, Grachev intends to discuss peace-keeping activity in the zone of Georgian-Abkhazi hostilities.

As he reported to journalists, at a meeting with President Geydar Aliyev of Azerbaijan slated for June 11, he would raise the issue on the need for that republic to adhere to the agreement on a Karabakh settlement, signed in Moscow on 17 May. Otherwise, he said, Russia would halt all mediation in resolving this conflict.

"If the conflicting parties want to stop the war, the signing of the Moscow accord is the best chance for that," Grachev stressed.

IF Note: On 17 May, Russia's Defence Minister Pavel Grachev mediated the signing by the leaders of Armenia and Karabakh of an agreement on a stage-by-stage settlement in Karabakh. Only the Azerbaijani side refused to sign the accord. Stage one provides for a ceasefire to be followed by a disengagement of hostile troops by 10-15 km, and by setting up mixed observation posts. During stage two and three, negotiators are to focus to ways of liberating the captured Azerbaijani territories and determining a status for Karabakhs.

Searches for a Karabakh settlement through Russian mnediation began in Kyrgyzstan's capital Bishkek in early May when lawmakers from Russia, Kyrgyzstan, Armenia, and Karabakh signed a protocol to cease-fire and disengage the troops. Azerbaijan refused to join the accord then.

Only one month later, on 8 June, at a session of the Interparliamentary Assembly in St. Petersburg, did the Azerbaijani Parliament's Speaker Rasul Guliyev put his signature under the Bishkek agreement. However, he argued that the document "does not solve all Karabakh problems."

In his opinion, since the protocol "only provides for a cease-fire, documents are required to work out a comprehensive settlement." He reported at the session that essential papers were being drafted with help from CSCE, CIS through Russian mediation."

"Azerbaijani is ready to negotiate these issues and determine a status for Karabakh but only after all Azerbaijan lands have been freed by political means," Guliyev remarked.

In his words, some Azerbaijani forces are trying to aggravate the conflict. They regard the Bishkek accords as a provocation from neighboring states.

Nonetheless, Guliyev advocated an early deployment of peace-keepers in Karabakh to operate under UN and CSCE control there.

The Armenian Parliament's Speaker Babken Ararktsyan claims that a shaky truce in Crabs [as received] can be breached any time, if the Bishkek protocol is not backed up by legal documents to be signed by heads of state.

He is convinced that without such signatures, the document "is incomplete in terms of the law." At the same time, he stressed that the Bishkek accord "has played its peace-keeping role."

Base Issue Settled 'in Principle'

LD0906194194 Moscow ITAR-TASS World Service in Russian 1556 GMT 9 Jun 94

[Report by ITAR-TASS correspondent Mikhail Shevtsov]

[Text] Yerevan, 9 Jun—The issue of the Russian base in Armenia has been settled in principle. It is planned to have one efficient military base installed in two localities on the Republic's territory. The main installation is to be in the Gyumri locality, where a Russian motorized infantry division is currently quartered, while part of the base's subunits will be stationed in Yerevan, where a Russian motorized infantry regiment is based at present. This opinion was shared by the members of the Russian military delegation at the summing-up conference held today by Russian Defense Minister Pavel Grachev. He noted that Armenian President Levon Ter-Petrosyan was sympathetic toward the proposed Russian military base.

According to Grachev, the bases in Armenia should be set up by 1 August 1994. The minister noted that it will be quite a powerful body of troops and that there are plans to include antiaircraft and air force—with the exception of long-distance aircraft—elements alongside ground troops. "It will be a powerful air mobile force," Pavel Grachev said, "which can be deployed in any danger area at short notice should the need arise."

Apart from this, the question of creating a joint Russian-Armenian antiaircraft defense system within the framework of the collective security treaty was also discussed. The extent of the Russian and Armenian contributions in terms of materiel and personnel was established. In particular, Russia plans to station additional air defense subunits in Armenia to cover certain sections and control the Armenian airspace. These will be missile complexes and a squadron of interceptor planes. The final decision on the whole complex of questions concerning the Russian military base in Armenia will be made at the presidential level.

As one of the participants in the talks said to an ITAR-TASS correspondent, Russia intends to take legal posession of its military base for the period of 25 years. At the same time the Russian side hopes that "conditions do not mean that the base is being rented." Besides, the Russian side proposed that Moscow exercise direct control over the base.

According to Pavel Grachev, the Armenian side promised to assist in funding and provision for the Russian military base.

Grachev To Fly to Tbilisi, Meet Shevardnadze

LD1006075194 Moscow ITAR-TASS in English 0713 GMT 10 Jun 94

[Report by ITAR-TASS correspondent Mikhail Shevtsov]

[Text] Yerevan 10 June TASS—Russian Defence Minister Pavel Grachev flies to Tbilisi this morning, where he will have a meeting with Georgian leader Eduard Shevardnadze. Later in the day, he plans to go to Gudauta, Abkhazia, where the Russian 345th airborne regiment is stationed.

Turning to a dispatch of Russian peace keepers to Abkhazia, Grachev, now on a working tour of Transcaucasia, said in Yerevan that the military part of the problem on sending a Russian peace-keeping force to Abkhazia has been fully resolved.

The Russian Defence Ministry prepared for this purpose three motorised battalions out of two peace-keeping divisions deployed in the Leningrad and Volga Military Districts. They will be ready for air-lifting within three days, the minister said.

The 345th airborne regiment stationed in Gudauta is also ready for the peace-keeping mission.

Besides, the minister gave orders to the commander of the Russian Army group in Transcaucasia to prepare another three battalions for peace-keeping functions.

According to Grachev, the question of the dispatch of troops to Abkhazia can be resolved only at the political level. Troops are ready to fulfill the peace-keeping operation.

Sargsyan on Treaty With Russia, Nagorno-Karabakh Talks

LD0906172694 Moscow INTERFAX in English 1536 GMT 9 Jun 94

[Text] Armenian Defense Minister Serzh Sargsyan maintained today that the republic's parliament would ratify the Russian-Armenian inter-governmental agreement on the status of Russian forces in the Republic this summer. "We must sign the treaty on the setting up of Russian bases on the Republic's territory by 1 September," he said in an exclusive interview with INTERFAX.

The inter-governmental agreement on the status of the Russian forces in Armenia was signed in 1992 and ratified by the former parliament of the Russian Federation in February 1993.

Sargsyan pointed out that the Republic's leadership is not insisting that Moscow pay rent for the land for these bases and for communal services. In his words, the Armenian leadership proposed that Russia's military department train Armenian citizens in Russian military colleges also "free of charge."

In addition, it was proposed to grant an opportunity to a contingent of Armenian servicemen to serve in the Russian military bases to be created in the Republic.

Commenting on the upcoming trip of Russian Defense Minister Pavel Grachev to Baku, Sargsyan said he thought it unlikely that Azerbaijani President Geydar Aliyev would join the agreement on the settlement of the situation in Nagorno-Karabakh.

Representatives of Armenia, Nagorno-Karabakh, and Russia, which acted as mediator, signed a document on this issue on 17 May in Moscow.

"After the statements of the Azerbaijani leaders stating that there will be not a single Russian soldier on the territory of the republic there can be hardly any progress on peaceful settlement of the situation in Nagorno-Karabakh," said Serzh Sargsyan. "They have burnt all their bridges by their statements," he added.

Azerbaijan

Aliyev Leaves for Turkey; Views Russian ABM Radar Issue

NC0906164994 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1300 GMT 9 Jun 94

[Text] The President of Azerbaijan Geydar Aliyev left for a brief working visit to Turkey today at the invitation of Turkish President Suleyman Demirel. The Azerbaijani president gave an interview to our program before staring his visit.

[Begin recording] [Aliyev] To answer your questions simply, I can say that the real purpose of this visit is clear. Turkey and Azerbaijan are very close to each other, they are friendly countries. We have a friendship and cooperation agreement with Turkey, and we are in constant touch. Many agreements were signed during my official visit to Turkey in February. Both we and Turkey are working to implement these agreements. On my return to Baku from Belgium, I stopped over in Ankara for a few hours and held talks, conversations, and consultations.

Our friendship and fraternal ties with Turkey are developing under conditions that require meetings, talks, and consultations from time to time. That is why Turkish President Suleyman Demirel invited me to Turkey. He requested that I visit him in Istanbul to examine various issues necessary for the continued cooperation between us. I accepted this invitation with pleasure because both Turkey and Azerbaijan need such a meeting at present. Therefore, I am now going to Istanbul to visit the Turkish president, my esteemed friend and brother Suleyman Demirel. I will meet him there and hold talks, and then we will do some other work as well. Such meetings take place not only in capital cities but in various cities and foreign countries.

As for the oil issue, the talks between the Western companies and the Azerbaijani state oil company have resumed. These talks are being held in Istanbul at the desired level. There is no need for me to go into this matter at this moment, because I already met with and held detailed talks with the delegation of the Azerbaijani State Oil Company before its departure for Istanbul, during which Azerbaijan's principal positions on this issue were established. The delegation is holding talks on the basis of those positions.

Regarding the NATO meeting, our Foreign Minister Gasan Gasanov has been invited there. Only foreign ministers are taking part in that meeting. Gasan Gasanov will represent Azerbaijan at that meeting, and will convey our view to it.

[Correspondent Seyyat Agababali] Mr. President, I want to ask a final question. You will receive Russian Defense Minister Pavel Grachev Saturday [11 June] morning. In the meantime, the Russian press has been disseminating certain views on Azerbaijan for the last two days. Also, in his statement today, Pavel Grachev said that if the Russian-sponsored plan is not signed during his meeting with you they will walk away from this issue.

[Aliyev] As you know, Pavel Grachev will arrive in Baku on 11 June. His statements are his own personal affair. However, the actual aim of his visit to Azerbaijan—and we have held talks on this issue, I also held a telephone conversation with Russian President Boris Yeltsin—is linked to the huge air-defense object in Azerbaijan—in Russian they call it radiolocatsyone stantsia. This is an extremely important facility, which was built by the Soviet Union to defend against strategic missiles. This is now enormously important for Russia, and it is in operation.

However, its status in Azerbaijan has not yet been clarified. That is because it is located on Azerbaijani territory, which means that it belongs to Azerbaijan; it is Azerbaijan's property. At the same time, Russia is using it. Despite the fact that the Soviet Union collapsed two and half years ago, regrettably this matter has not yet been resolved. Although Russia benefits from it, Azerbaijan's rights to it have not yet been established. Therefore, I have raised this problem to the Russian leadership, both to Russian President Boris Yeltsin and Defense Minister Pavel Grachev. Grachev is coming here to discuss this matter. Undoubtedly, once he is here,

many other problems will also be discussed, but one cannot comment on them beforehand. [end recording]

The Azerbaijani president was seen off at Bina airport by Prime Minister Suret Guseynov, Deputy Chairman of the Supreme Soviet Afiaddin Dzhalilov, deputy prime ministers, ministers, company presidents, and other officials.

Oil Contracts Signed With Iran

944K1399A Baku BAKINETS in Russian No 5, 9-19 Jun 94 p 2

[Unattributed article: "Iran-Azerbaijan: New Contracts"]

[Text] Negotiations conducted in Tehran among representatives of oil companies of the Islamic Republic of Iran and Azerbaijan Republic ended with the signing of two contracts. According to them, Azerbaijan oil producers must perform engineering-research and seismographic-exploratory work in the southeastern part of the Caspian Sea valued at a total of more than $3 million.

As Azerbaijan State Petroleum Company Vice President Khoshbakht Yusuf-zade, Doctor of Geological-Mineralogical Sciences, announced, business relations with the National Petroleum Company of the neighboring state began to develop at the end of the 1960's when Azerbaijani geophysicists did research needed by the Iranians for studying the geological structure of minerals in the southern part of the Caspian Sea.

The Azerbaijani special ships Zokhrab Veliyev and Rezonans, which are equipped with everything necessary for performing the entire complex of work under the new contracts between the oil companies of the two neighboring Caspian states, will soon depart for the southern shores of the Caspian Sea.

Iran's Envoy Protests 'Troubles' Faced by Residents

LD0906141694 Tehran IRNA in English 1346 GMT 9 Jun 94

[Text] Baku, 9 June, IRNA—Iranian ambassador to Baku 'Ali Asghar Nahavandiyan and Azeri Minister of National Security Nariman Imranof on Wednesday explored ways of confronting certain elements suspected of disturbing Iranian people residing in Azerbaijan.

Nahavandian complained about the troubles created for Iranian Government employees in Baku, businessmen and passengers and called on the Azeri Government to prosecute such "irresponsible" elements causign troubles for Iranian nationals.

Imranof, referring to the "friendly" relations between Tehran and Baku, reiterated that his ministry was responsible for protecting the life and properties of Iranians residing in Azerbaijan.

He invited his Iranian counterpart 'Ali Fallahiyan to pay an official visit to his country and expressed hope that in the upcoming visit to Tehran of Azeri President Heydar Aliyev agreements on border and security cooperation would be signed by the two countries.

Georgia

Grachev Arrives After Successful Armenia Visit

LD1006090294 Moscow ITAR-TASS in English 0819 GMT 10 Jun 94

[Report by ITAR-TASS correspondents Tigran Liloyan, Albert Kochetkov and Mikhail Shevtsov]

[Text] Tbilisi 10 June TASS—The question about the establishment of Russian military bases on Armenian territory has been resolved positively, Russian Defence Minister Pavel Grachev said before flying to Tbilisi, capital of Georgia.

According to Grachev, the bases in Gyumri and Yerevan will be formed before 1 August. The minister expressed satisfaction with his trip to Yerevan and said that all military problems scheduled for discussion were solved and approved by the leadership of Armenia.

Armenian Defence Minister Serzh Sargsyan told ITAR-TASS he was pleased with the results of Minister Grachev's visit, which he described as "a very important and serious visit, the main results of which will be the deployment of Russian military bases in Armenia, the strengthening of the Republic's air defenses and the reinforcement of the Russian troops deployed here."

Russian Ambassador to Armenia Vladimir Stupishin said General Grachev's visit to Yerevan was an important political landmark. "It was very important from the viewpoint of strengthening our allied relations with Armenia both in the frame of the treaty of collective security of the Commonwealth of Independent States and on a bilateral basis," he said.

In Tbilisi, the Russian defence minister was welcomed by Prime Minister Otar Patsatsiya, Parliament Vice-Speaker Vakhtang Rcheulishvili, members of the Georgian Government and the commander of the Russian troops in the Caucasus, Colonel-General Fedor Reut. A guard of honour was mustered on the tarmac and a military band played the anthems of the two countries.

The motorcade then sped from the airport to the building of the Cabinet of Ministers, where a meeting has begun between the Russian defence minister and Georgian leader Eduard Shevardnadze. The conversation deals with the timetable and a mechanism of introducing CIS peacekeepers, including a Russian contingent to the zone of the Georgian-Abkhaz conflict.

On Friday afternoon, Minister Grachev is due to fly to Gudauta for analogous coordination of actions with the Abkhaz side.

The Russian defence minister is expected to return to Tbilisi on Friday evening and meet the generals and officers of the Russian troops stationed in the Transcaucasus on Saturday.

Says Peacekeepers Ready To Start

LD1006111494 Moscow ITAR-TASS World Service in Russian 0922 GMT 10 Jun 94

[Report by ITAR-TASS special correspondents Albert Kochetkov and Mikhail Shevtsov]

[Text] Tbilisi, 10 Jun—Russian Defense Minister Pavel Grachev says that the peace-keeping mission of the Russian forces in Abkhazia can start immediately, if the conflicting sides agree to this. This will become possible if he receives an agreement from the Tbilisi and Gudauta leaders, with whom he will hold consultations throughout today.

In the first part of the day Grachev discussed this possibility with Eduard Shevardnadze, the head of the Georgian state, in Tbilisi, and in the afternoon he will hold similar talks with Vladislav Ardzinba, the Abkhazian leader, in Gudauta.

Incidentally, the minister added that the airborne regiment of the Russian Armed Forces, which is stationed in Gudauta and which has been officially included in the composition of the CIS peace-keeping forces, can be brought in for the beginning of the peace-keeping mission. This decision will be in keeping with the latest well-known edict by Russian President Boris Yeltsin on rendering assistance in settling the Georgian-Abkhazian conflict, and at the same time it does not run contrary to the decision of the Federation Council, which for the time being is holding back from carrying out a peacekeeping mission in the conflict zone.

Military Observers To Comprise Part of Force

LD0906163094 Tbilisi IBERIA in Georgian 1400 GMT 9 Jun 94

[Text] Tbilisi, 9 Jun—There will be 59 military observers among the peacekeeping forces in the Abkhazian region. Nine of the observers will be stationed in Sukhumi, five each in regional headquarters in Gali and Zugdidi rayons, and two 20-strong flying squads will be inspecting Gali and Zugdidi rayons.

Group Presents Petition Against Peacekeeping Forces

LD0906181094 Moscow ITAR-TASS World Service in Russian 1506 GMT 9 Jun 94

[Report by ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi, 9 Jun—The so-called Abkhazian Liberation Union [ALU] is protesting against the introduction of Russian peacekeeping forces in Abkhazia, and is demanding that the Moscow agreements on this issue be cancelled. The ALU is threatening mass protest actions. This is according to a petition issued by the Union, which was handed over to the Russian Embassy in Tbilisi 9 June. The document also says that "members of the ALU will lie down on railway tracks in order to stop trains carrying occupation troops entering the conflict zone."

Head of State Apparatus To Be Cut by One-Third

MK0906123494 Moscow NEZAVISIMAYA GAZETA in Russian 9 Jun 94 p 3

[Unattributed NEGA report in the "Georgia" column]

[Text] Eduard Shevardnadze has signed a special edict whereby within the next few days a reorganization in the Georgian head of state's apparatus is to begin. On 8 June, Chief of Staff Vazha Lordkipanidze told a news conference that the number of apparatus staff will be cut by one-third, with all the subdivisions moving over to a contract system. At present approximately 130 people work in the apparatus. Cadre selection is done in accordance with two main criteria: high professionalism and moral integrity, regardless of affiliation with any political party or public movement. Lordkipanidze denied allegations by a number of parliamentarians that the apparatus' hard currency spending for foreign trips is double that of analogous parliament bills. "In accordance with a memorandum by the Georgian Finance Ministry," he said, "in 1994 the apparatus spent $11,000 for these purposes, while parliament spent $12,600." The Georgian head of state's chief of staff also stated that contrary to some perceptions, the apparatus has never been bloated but corresponded to international standards and proportions. Moreover, Lordkipanidze said the presidential apparatuses in countries the same size as Georgia number on average up to 500 officers.

Russia To Set Aside Funds for South Ossetia

LD0906185594 Tbilisi IBERIA in Georgian 1400 GMT 9 Jun 94

[Text] Tskhinvali [former South Ossetia] 9 Jun—A Russian Government delegation has been in Tskhinvali for several days. According to Moscow Radio, at one of the meetings it was stated that one of every three rubles allocated to Georgia by Russia will be used for the revival of so-called South Ossetia.

S. Ossetians Seek $25 Million Damages From Georgia

LD0906170394 Tbilisi IBERIA in Georgian 1400 GMT 9 Jun 94

[Text] Tbilisi, 9 Jun—Leaders of so-called South Ossetia have told the CSCE representatives that damage inflicted on South Ossetia by the Republic of Georgia in 1991-92 has been assessed at $25 million.

Lawmakers Scorn Budget, Demand Presence of Top Leaders

MK0906120694 Moscow NEZAVISIMAYA GAZETA in Russian 9 Jun 94 p 3

[Report by Viktor Vachnadze under the "NEGA Reports" rubric: "Georgia"]

[Text] On 7 June Vice Prime Minister Teymuraz Basiliya submitted the Republic of Georgia's state budget for the second quarter of 1994 for parliamentary approval. The deputies thought the submitted budget scandalous. Deputy Bakur Gulua described the very attempt to propose such a budget for parliament's consideration as immoral and insulting. Bitter dissatisfaction greeted the point in the budget that speaks about parliament's needs—as little as 0.3 percent is set aside for them. Dissatisfaction was also expressed with regard to the sum reserved for the head of state's staff—0.7 percent. Little more than that was allowed for the entire system of education. "We have no use for a government that counts already worthless money in such an original manner," the parliamentarians said in almost one voice. The din in the room rose a notch when Basiliya gave even more totally unacceptable figures for the deputies: 6 percent of the budget was earmarked for the needs of governing the state and not more than 4 percent toward the Defense Ministry's enormous demands.

"Enough of deceiving each other," Deputy Tengiz Kitovani stated, and moved that discussion of the budget be postponed so that the head of state, the prime minister, the vice prime ministers, as well as the president of the National Bank and the finance ministers, who are away on trips at the moment, could be present.

The discussion of the budget will continue today.

Estonia

Malk, Churkin Statements on Joint Talks, Cooperation

WS0906140194 Tallinn Ministry of Foreign Affairs Press Release in English 1034 GMT 8 Jun 94

["Transcript" of statements by Raul Malk, Estonian Foreign Ministry vice chancellor, and Russian Deputy Foreign Minister Vitaliy Churkin at Tallinn airport on 8 June—received via Internet E-LIST]

[Text] The Russian Deputy Foreign Minister spent 24 hours in Estonia, meeting primarily with his counterpart from the Estonian Foreign Ministry, Raul Malk. Yesterday evening he had dinner with President Lennart Meri and this morning met with Estonian Foreign Minister Juri Luik. The following has been transcribed and translated by Juri Arusoo and Mari-Ann Rikken of the Press and Information Department of the Estonian Foreign Ministry.

Raul Malk (in Estonian): Over the course of two days we have had good talks. There is nothing concrete to announce at this stage. We have just agreed that we will continue as soon as possible. And now I hope you hear about the same. Meaning from Mr. Churkin.

Vitaliy Churkin (in Russian): This is my first press conference where I can't understand my colleague's language, but it is not a problem because I'll say about the same. First of all we are very satisfied with the atmosphere and character of the discussions which took place in Tallinn and which began a few days ago in Genevea. We are grateful to the Estonian side, and Mr. Malk. I had an opportunity as well to have a substantive discussion with the foreign minister and yesterday an informal, but long, interesting, and substantive meeting with President Meri. We are thankful to the Estonian side for providing such good conditions, for creating such an atmosphere of goodwill for these negotiations. It seems to me that we can say that we didn't talk only in a spirit of goodwill, but with a sincere attempt on both sides to solve as quickly as possible those questions which still remain, in order that we can turn the page, perhaps even finish an entire chapter in the history of our relations. To begin to write a new chapter starting with a new page, having solved completely those complicated problems which we have spent the last few months discussing. Now, however we have reached, as we hope, the final stage as concerns the understandings and agreements which were achieved by Russian Minister Kozyrev during his recent stay in Tallinn.

ITAR-TASS (in Russian): What were the concrete problems which were discussed?

Churkin (in Russian): The same which has been under discussion by the Estonian-Russian state delegations over a long period of time. First of all, the problems of the completion of the withdrawal of Russian troops from the territory of the Republic of Estonia and here primarily the issues which are not yet agreed upon. The issue connected with military pensioners. Also the issue of dismantling the installation at Paldiski. Well, and we also touched on other questions—general political questions which concern Estonian- Russian relations.

Rhohtuleht, Ille Gruen-Ots (in Russian): What do you think, is the deadline August 31 realistic?

Churkin (in Russian): I believe there is nothing unrealistic about it. But there must be a firm basis, there have to be agreements. And then we can energetically do that which is necessary to complete withdrawal.

ITAR-TASS (in Russian): The Estonian side does not rule out use of force if the withdrawal is not completed by August 31. How do you react to this?

Churkin (in Russian): I do not think it is so. Regarding Estonian positions, then we analyze and draw conclusions based upon statements by responsible individuals, Estonian state officials. And we do not have the slightest suspicion that the Estonian position consists of the need to solve problems politically, via negotiations. I want to emphasize that the official position of the Russian leadership position is exactly the same. These questions must be solved via dialogue, not in any other way.

Q (in Russian): Did you discuss a possible meeting between Presidents Yeltsin and Meri?

Churkin (In Russian): Concretely this was not discussed.

Rhohtuleht (in Russian): When will you meet again?

Churkin (in Russian): Yes, we invited Mr. Malk and his colleagues—thank you for asking this question—to Moscow in the near future, as soon as this can be arranged. We believe that such a meeting may take place already next week.

Baltic Independent, Tarmu Tammerk (in English): What kinds of agreements should there be on military pensioners between Estonia and Russia?

Churkin (in English): I'd rather not go into details of our discussions because these are—this is—an on-going issue between us. We hope that this will -uh- be a realistic agreement which will remove any possibility of tensions in our relations and - uh- would also be up to the count very high international standards of human rights.

Lisa Trei (in English): Can you be specific about what you mean by realistic agreement?

Churkin (in English): No, I cannot. (Laughter)

Tammerk (in English): Will it be the point of the pull-out agreement?

Churkin (in English): I'd rather not be specific at this time. Thank you very much. In Russian: Thank you.

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